



Building a  
New Tradition  
of Excellence

ARAPAHOE COUNTY SCHOOL DISTRICT NO. 1  
ENGLEWOOD SCHOOLS  
ENGLEWOOD, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE YEAR ENDING JUNE 30, 2021

# **Englewood Schools**

Arapahoe County School District No. 1  
Englewood, Colorado

Comprehensive Annual Financial Report  
Year Ended June 30, 2021

Prepared By: Finance Department

# Englewood Schools

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## Introductory Section

December 16, 2021

**To the Citizens and Members of the Board of Education  
Arapahoe County School District #1, Englewood Schools  
Englewood, CO 80110**

The Comprehensive Annual Financial Report of Arapahoe County School District #1, (Englewood Schools or District) as of June 30, 2021 and for the fiscal year then ended is hereby submitted. Responsibility for the accuracy, completeness and fairness of the presentation, including all disclosures, rests with the District. The data, as presented, is accurate in all material respects and is presented in a manner designed to fairly set forth the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's activities have been included.

State law requires that the District publish within six months of the close of each fiscal year a complete set of financial statements presented in accordance with accounting principles generally accepted in the United States of America (US GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (US GAAS), by a firm of licensed certified public accountants. Pursuant to this requirement, we hereby issue the comprehensive annual financial report of the Arapahoe County School District #1 for the fiscal year ended June 30, 2021.

The District's financial statements have been audited by Hinkle & Company PC, a firm of licensed certified public accountants. The independent audit of the financial statements is part of a broader, federally mandated Single Audit designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited District's internal controls and compliance with legal requirements.

The Comprehensive Annual Financial Report is presented in conformity with Statement No. 34 of the Governmental Accounting Standards Board, titled *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This reporting standard is intended to parallel private sector reporting by consolidating governmental activities and business-type activities into a single total column for governmental-wide activities. Statement No. 34 also requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction.

The financial section includes the Independent Auditors' Report, MD&A, the basic financial statements, and the combining and individual fund financial statements and schedules. The MD&A provides a narrative introduction, overview, and analysis to accompany the basic financial statements.

Management assumes full responsibility for the completeness and reliability of the information contained in this report based upon a comprehensive framework of internal controls that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

### **Profile of the District**

Arapahoe County School District #1 (Englewood Schools) was formed in 1916. Eight school buildings provide instruction and related services to approximately 2,465 students from pre-kindergarten through twelfth grade. The District encompasses approximately 6.9 square miles, which is located within the City of Englewood, directly south of Denver, Colorado.

The District is governed by a five-member Board of Education whose members are elected by the qualified electors within the District's boundaries. The general duties of the Board of Education members include the power to employ all personnel necessary to maintain the operations and carry out the educational programs of the District and pay their compensation; to fix attendance boundaries; to establish annual budgets; to determine the educational programs to be carried on in the schools of the District; to prescribe the textbooks of any course of instruction or study in such educational programs; and to levy a property tax on properties located within its boundaries.

The District operates one preschool, four elementary schools, one learning academy grades 6-8, one middle school, one high school and one high school of choice. In addition to regular education and special education, the District offers a variety of enhanced educational options including: Full-day kindergarten; International Baccalaureate (IB); Science, Technology, Engineering, Art & Math (STEAM) focus; Gifted and Talented; vocational programs: Cosmetology, Culinary Art, Sustainable Agriculture Education (SAGE), Athletic Training, Business and Journalism.

### **District Strategic Plan**

The District's strategic plan was developed in 2016, and has continued through 2021, through the collaborative work of parents, teachers, community members, staff, and administrators at each of our school sites. The strategic plan, our vision and mission are reflective of the ideals of the community of Englewood as a whole. The strategic plan sets overall goals for Englewood Schools and puts forth a plan to achieve them.

**Vision:** Graduating the leaders, thinkers, and explorers of tomorrow.

**Mission:** Preparing all students for future success through learning, leading, engagement and action.

**Core Values:** High Expectation, Accountability, Integrity, Respect, Community

## Economic Condition and Outlook

Limited state funding creates one of the largest obstacles for the District to provide financial resources necessary for educators to achieve academic goals. In November 2000, Colorado voters approved a constitutional amendment (commonly known as Amendment 23) that sets minimum levels of increases in the statewide base per pupil funding amount and the total state funding for categorical programs. Amendment 23 stipulates that the General Assembly must adjust the base each year by the rate of inflation increase plus one-percent for the ten-year period beginning FY2002 and by at least the rate of inflation thereafter.

Colorado uses a public school funding formula that was developed in 1994 called the Public School Finance Act. School districts in Colorado are funded on a per pupil revenue basis (PPR). The state calculates each district's PPR based on a number of factors including at-risk enrollment (updated for FY22 to include all free and reduced lunch students, as well as English Language Learners), size of the district, cost of personnel and cost of living. The state calculates each district's PPR, subtracts the amount of funding generated by local property taxes and then funds the remaining balance through a state funded allocation entitled "State Equalization". This combined state equalization and local property tax funding amount is termed "Total Program".

Local property tax revenue makes up 33% of public school funding in the state. Beginning with the recession in 2008, assessed valuations across the state declined as a result of lower property tax collections while tax receipts from state income and sales/use also declined due to the economic downturn. The state is strained since it is responsible to backfill any funding losses from declines in local property taxes (i.e. State Equalization). Given that K-12 funding makes up close to 40% of the State of Colorado's budget, the state was forced to make a choice between fully funding K-12 education or continuing to fund other vital public services such as Corrections, Healthcare/Medicaid, Higher Education and Human Services. Beginning in FY 2011, the state introduced the "Negative Factor", (which is now referred to as the Budget Stabilization Factor) to reduce school funding to a level that it could afford. For FY22, the Budget Stabilization Factor was decreased to bring it back to pre-pandemic levels, though this factor is still reducing annual funding for K-12 education by \$571 million below fully funded or an estimated \$1.2 million for Englewood Schools.

The District has been able to limit the impact of these complications on our classrooms by using federal stimulus funding to help offset one-time costs, through the use of reserves built up over the last decade and by effectively managing costs. Through the change in "at-risk" students and the return of the Budget Stabilization factor to pre-pandemic levels, PPR in FY22 is expected to increase by \$547 above the PPR for FY2021 from \$9,339 to \$9,886. Englewood manages the funding gaps and improves the educational offerings for our students through prudent fiscal management, the support of local voters through mill levy overrides and general obligation bonds and state, federal and private grants received. The district continues to manage fund balances to ensure that future uncertainties can be addressed without major interruptions to core educational services.

The fund balance in the General Fund is a measure of the ability of the district's finances to sustain operations in the event of a financial downturn. Fund balance decreased by \$865,982, from \$9,966,328 to \$9,100,346. This decrease is a result of declining enrollment and the timing of receiving 2020-21 federal stimulus funds.

The District maintains a number of budgetary controls to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The Board Policy requires a ten percent reserve set aside as the state of Colorado's K-12 funding remains uncertain. The Board's reserve enables the District to mitigate the impact of a financial downturn while responding strategically.

### **Budget Process**

Development of the District's budget is an on-going, year-round process. Fall enrollment assists in updating enrollment projections for the upcoming years. Budget priorities are gathered from all stakeholders, including staff, parents and members of the community. Revenue projections are developed and expenditure adjustments are discussed based on assumptions about funding from the State of Colorado, salary negotiations, employee benefit changes, utility expenses and other expenditure changes. A preliminary budget is presented to the Board of Education in May of each year followed by a budget hearing and adoption in June.

The District's financial policies also drive the budget process. The District aims to balance its ongoing expenditures with current revenues and use its reserves wisely.

### **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Englewood School District for its comprehensive annual financial report for the fiscal year ended June 30, 2020. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this document would not have been possible without the dedicated efforts and expertise of the Business Services staff, not only during the reporting process, but also throughout the year. Appreciation and recognition is also extended to our independent audit firm, Hinkle & Company PC, and its professional audit staff for the assistance and analysis provided throughout the year. Finally, a big thank you to the Englewood Board of Education and Superintendent Dr. Wendy Rubin for their leadership, support, and dedication.

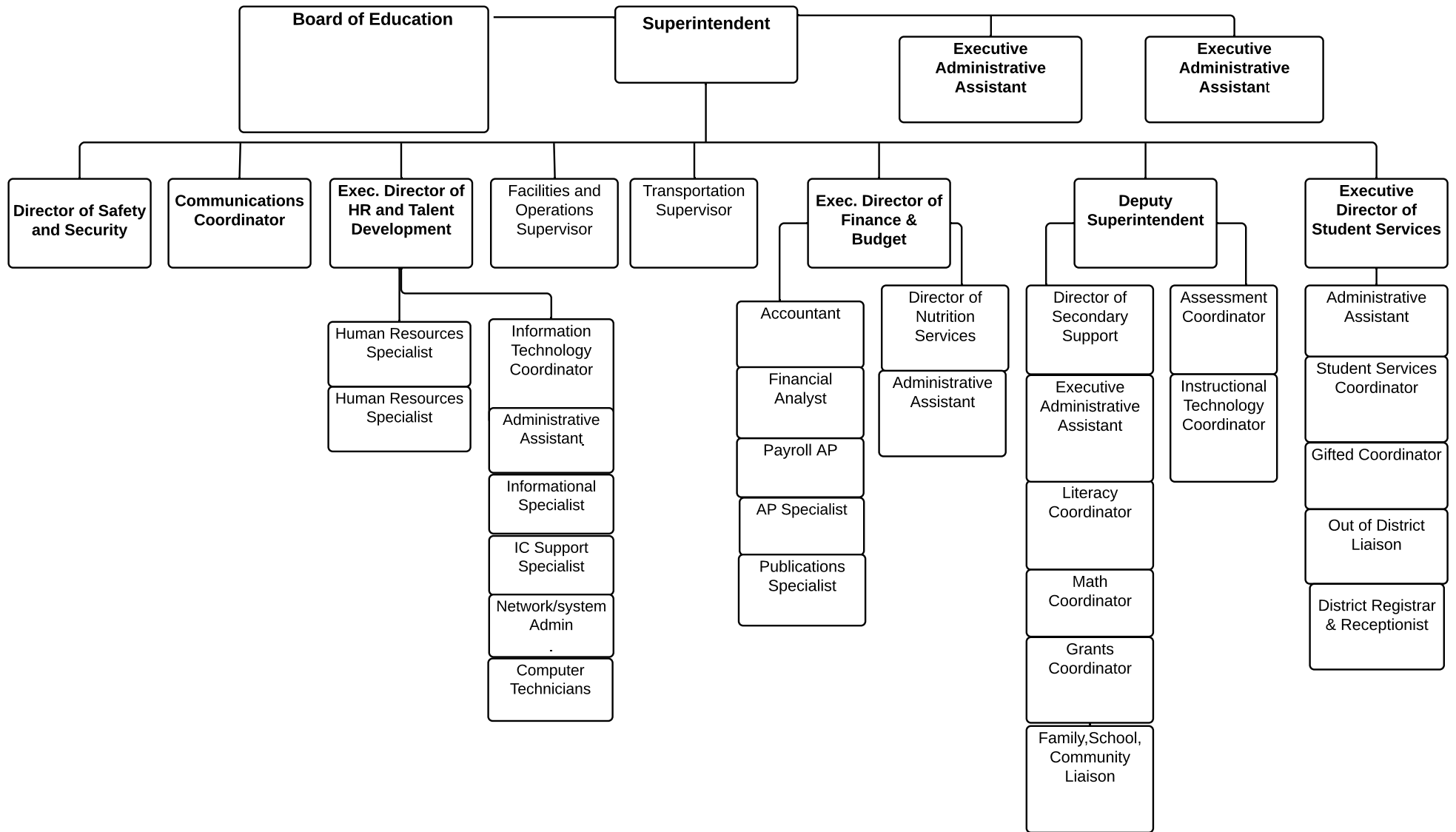
This report provides financial and other related information for the fiscal year 2020-2021 and has been prepared in a manner that is intended to assist management decision makers for the current and future budget years.

Respectfully submitted,

A handwritten signature in cursive script that reads "Mary Cooper".

Mary Cooper  
Executive Director of Budget & Finance

# 2020/2021 Organizational Chart



**ENGLEWOOD SCHOOL DISTRICT  
ENGLEWOOD, COLORADO**

**June 30, 2021**

**BOARD OF EDUCATION**

Caty Husbands – President

Jen Hubbard – 1<sup>st</sup> Vice President

Gary Manfre – 2<sup>nd</sup> Vice President

Tena Prange – Secretary

Steven Leflar – Treasurer

**SUPERINTENDENT’S EXECUTIVE STAFF**

Dr. Wendy Rubin – Superintendent

Joanna Polzin – Deputy Superintendent

Ryan Cowell – Executive Director of Human Resources and Talent Development

Mary Cooper – Executive Director of Budget and Finance

Callan Clark – Executive Director of Student Services

Mandy Braun – Director of Safety and Security

Julie McMorris – Communications Coordinator

Michelle Haider – Executive Assistant Supporting Superintendent & Board of Education



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Arapahoe County School District No. 1  
Englewood Schools, Colorado**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2020

*Christopher P. Morill*

Executive Director/CEO

## Financial Section





**HINKLE &  
COMPANY**  
Strategic PC  
Business Advisors

## Independent Auditors' Report

Board of Education  
Englewood Schools  
Englewood, Colorado

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Englewood Schools as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of Englewood Schools, as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Englewood Schools as of June 30, 2021, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Englewood Schools' basic financial statements. The introductory section, supplementary information, statistical section, and auditors integrity report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information and the auditors integrity report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2021, on our consideration of Englewood Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Englewood Schools' internal control over financial reporting and compliance.

Hick & Company, PC

Greenwood Village, Colorado  
December 20, 2021



Englewood Schools  
**Management's Discussion and Analysis**  
Year Ended June 30, 2021

Management of the Arapahoe County School District No. 1 (Englewood Schools or District), provides readers of the District's Comprehensive Annual Financial Report (ACFR) this narrative and overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2021. We encourage readers to consider the information presented here in conjunction with additional information that is presented in the letter of transmittal, which starts on page "i" of this report.

### **Financial Highlights**

On the statement of net position, as of June 30, 2021, the District's total net position is a deficit of \$43,047,311. Two statements issued by the Governmental Accounting Standards Board (GASB) required the District to report liabilities in a certain manner. First, in June 2015, GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions, which includes a Net Pension Liability of \$65,409,990 as of June 30, 2021. Secondly, the District implemented GASB Statement No. 75, which became effective for financial reporting after June 2017. GASB No. 75 requires employers participating in the Colorado Public Employees' Retirement Association (PERA) to record their proportionate share of unfunded liability of Other Post-Employment Benefits (OPEB). OPEB liability is recorded at \$2,377,945.

Please see Note 7 for information regarding GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* and Note 8 for information regarding GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

At the close of the fiscal year, Englewood Schools' governmental funds reported a combined ending fund balance of \$27,487,746, a decrease of \$2,448,212, mainly as a result of construction activities.

The General Fund, which includes the Colorado Preschool Program, had an ending fund balance of \$9,100,346, lower by \$865,982 primarily due to declining enrollment and the timing of receiving federal stimulus dollars.

### **Overview of Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of Englewood Schools' finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of Englewood Schools' assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Englewood Schools is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Prior to 2015, the government-wide financial statements distinguished functions of Englewood Schools that are principally supported by taxes (governmental activities) from other functions that were intended to

Englewood Schools  
**Management's Discussion and Analysis**  
Year Ended June 30, 2021

recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of Englewood Schools include instruction and support services of the District. In 2015, Englewood Schools switched the two business-type activities funds (the food services fund and the tuition programs fund) to special revenue funds, which now fall under the governmental activities functions. In 2020, the District implemented GASB Statement No. 84, *Fiduciary Activities*, which reclassified agency funds to special revenue funds and includes the Scholarship Special Revenue Trust Fund and Pupil Activity Fund.

**Fund Financial Statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Englewood Schools, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Englewood Schools are governmental funds.

**Governmental Funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Englewood Schools maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the general fund, the grants fund, bond redemption, building fund, and non-major governmental funds. The non-major governmental funds include the food service fund, the tuition fund, the capital reserve fund, the scholarship special revenue fund and the pupil activity fund.

Englewood Schools adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) concerning the District. The District adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund, Grants Fund, Bond Redemption Fund and Building Fund to demonstrate compliance with this budget.

Englewood Schools  
**Management's Discussion and Analysis**  
Year Ended June 30, 2021

**Supplemental Information.** In addition to the basic financial statements and accompanying notes, this report also presents budget to actual schedules for the District's other funds and certain reports required by the Single Audit Act of 1984.

**Other Information.** The individual fund statements are presented after the notes to the financial statements.

**Government-wide Financial Analysis**

As noted earlier, net position is used to serve as a potential indicator of a government's financial position. However, with the inclusion of \$65,409,990 in pension and \$2,377,945 in OPEB liabilities, liabilities exceeded assets by \$43,047,311 in 2021.

The table below presents a condensed statement of the District's net position as of June 30, 2021.

**Englewood Schools' Net Position**

	<b>Governmental Activities</b>		<b>Change</b>
	<b>2021</b>	<b>2020</b>	
Current and other assets	\$ 32,255,507	\$ 36,756,386	\$ (4,500,879)
Capital assets	156,716,304	157,398,212	(681,908)
Total assets	<u>188,971,811</u>	<u>194,154,598</u>	<u>(5,182,787)</u>
Deferred Outflows of Resources	<u>22,094,825</u>	<u>9,787,581</u>	<u>12,307,244</u>
Long-term liabilities outstanding	147,696,547	152,431,474	(4,734,927)
Other liabilities	9,050,683	10,691,620	(1,640,937)
Net Pension Liability	65,409,990	57,944,991	7,464,999
Net OPEB Liability	2,377,945	2,849,090	(471,145)
Total liabilities	<u>224,535,165</u>	<u>223,917,175</u>	<u>617,990</u>
Deferred Inflows of Resources	<u>29,578,782</u>	<u>41,458,644</u>	<u>(11,879,862)</u>
Net Position	7,067,024	3,341,042	3,725,982
Invested in Capital Assets			
Restricted for:			
Emergencies (TABOR)	951,000	1,111,000	(160,000)
Debt service	12,997,073	11,579,357	1,417,716
Capital purposes	200,000	200,000	-
Preschool	-	324,844	(324,844)
Unrestricted	(64,262,408)	(77,989,883)	13,727,475
Total net position	<u>\$ (43,047,311)</u>	<u>\$ (61,433,640)</u>	<u>\$ 18,386,329</u>

Englewood Schools  
**Management's Discussion and Analysis**  
Year Ended June 30, 2021

Englewood Schools' assets are comprised of current and capital assets totaling \$188,971,811. The District's restricted net position includes a TABOR emergency reserve mandated by the Article X, Section 20, of the Colorado constitution in the amount of \$951,000, funds for long-term debt service generated by bond redemption property taxes of \$12,997,073; \$200,000 for capital purposes is associated with the Building Excellent Schools Today (BEST) that the District received in 2011 for the modernization of Colorado Finest High School of Choice.

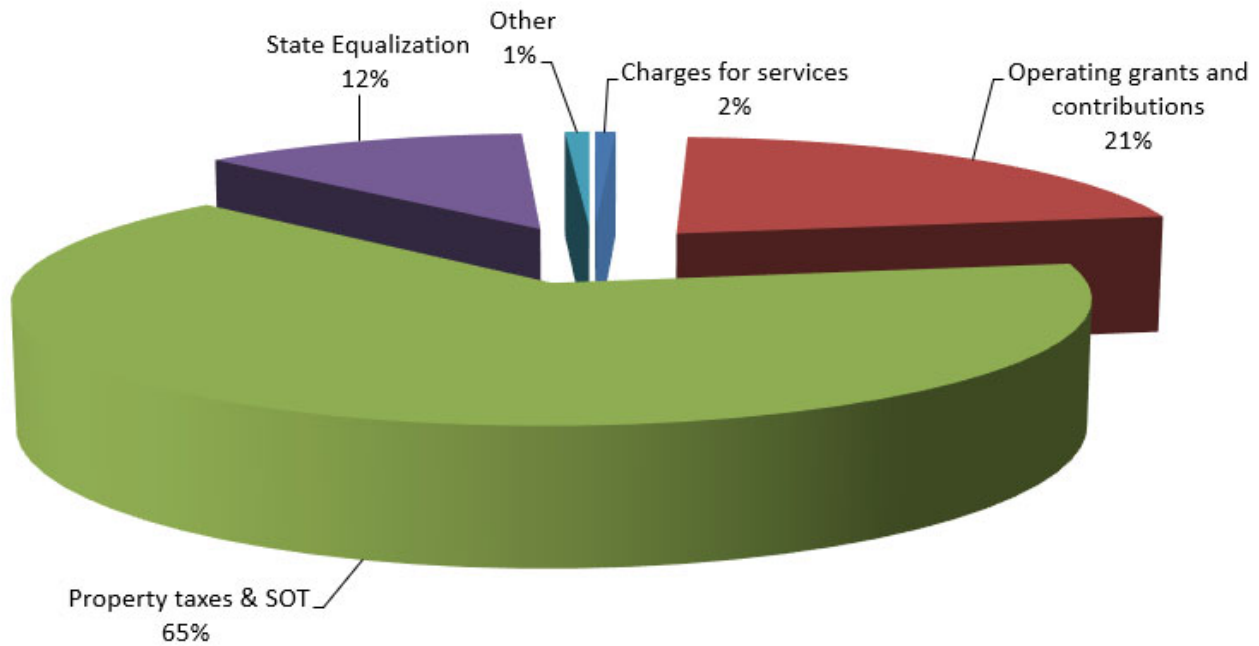
**Governmental Activities.** As previously reported, Governmental activities net position changed over the prior year by \$18,386,329. This is as a result of the decrease in revenue of \$468,545 due to declining enrollment and timing of federal stimulus dollars along with a decrease in expenditures of \$10,527,948 due to the completion of capital projects.

**Englewood Schools' Change in Net Position**

	<b>Governmental Activities</b>		<b>Change</b>
	<b>2021</b>	<b>2020</b>	
Program revenues:			
Charges for services	\$ 390,963	\$ 665,109	\$ (274,146)
Operating grants and contributions	11,356,675	6,785,692	4,570,983
General revenues:			
Property taxes	31,655,828	31,532,905	122,923
Specific Ownership taxes	2,293,787	2,199,951	93,836
State Equalization	6,188,389	8,444,027	(2,255,638)
Sale of Asset	2,700	2,000,000	(1,997,300)
Other	452,318	1,181,521	(729,203)
Total revenues	<u>52,340,660</u>	<u>52,809,205</u>	<u>(468,545)</u>
Expenses:			
Instruction	13,364,070	22,708,387	(9,344,317)
Supporting Services	14,922,343	14,807,371	114,972
Interest on Long-term Debt	5,667,918	6,966,521	(1,298,603)
Total Expenses	<u>33,954,331</u>	<u>44,482,279</u>	<u>(10,527,948)</u>
Change in net position	<u>18,386,329</u>	<u>8,326,926</u>	<u>10,059,403</u>
Net position - beginning	<u>(61,433,640)</u>	<u>(69,760,566)</u>	<u>8,326,926</u>
Net position – ending	<u>\$ (43,047,311)</u>	<u>\$ (61,433,640)</u>	<u>\$ 18,386,329</u>

Englewood Schools  
**Management's Discussion and Analysis**  
Year Ended June 30, 2021

**Sources of Revenues for Fiscal Year 2021**



**Financial Analysis of the District's Fund**

As noted earlier, Englewood Schools uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of Englewood Schools' governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing Englewood Schools' financing requirements. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year Englewood Schools' governmental funds reported a combined ending fund balances of \$27,487,746 a decrease of \$2,448,212. This decrease was mainly due to construction activities. The Building Fund ended the year with a balance of \$1,781,212, a decrease of \$2,967,152. The District's Bond Redemption Fund had an ending fund balance of \$12,997,073 higher by \$1,417,716 than

Englewood Schools  
**Management’s Discussion and Analysis**  
Year Ended June 30, 2021

the prior year, as the District strategically continues to build a fund balance to pay off the Series 2017 bonds. The grants fund balance did not change.

The General Fund, which includes the Colorado Preschool Program, is the major operating fund of Englewood Schools. At the end of the current fiscal year, fund balance decreased by \$865,982 to \$9,100,346.

The food services program finished the 2021 fiscal year with a fund balance of \$122,219, an increase of \$107,184. The General Fund contributed \$163,409 to the Food Service Fund for managing day-to-day operations.

The District uses the tuition fund to record tuition-based early childhood programs. Net position for this fund totaled \$202,258 at fiscal year-end, a decrease of \$3,955.

**General Fund Budgetary Highlights**

The District approves a budget in June based on enrollment projections for the following year. In October, after enrollment stabilizes, adjustments are made to the budget. The District projected declining enrollment and reduced both revenue and expenditures budget items. The District is strategically using fund balance to maintain programs, while also looking at opportunities to gain efficiencies and means to cut costs and increase revenues.

**Capital Assets and Long-Term Debt**

**Capital Assets.** Englewood Schools’ investment in capital assets as of June 30, 2021 amounts to \$156,716,304, net of accumulated depreciation. This investment in capital assets includes land, buildings, service vehicles, buses, playground, office and instructional equipment. Additional information can be found in Note 4 in the Notes to Financial Statements section.

	<u>2021</u>	<u>2020</u>	<u>Change</u>
Land & Improvements	\$ 2,045,111	\$ 2,045,111	\$ -
Construction in Progress	16,509	4,142,553	(4,126,044)
Site Improvements	146,310	146,310	-
Buildings and Improvements	175,418,081	168,453,816	6,964,265
Machinery & Equipment	2,283,250	2,171,869	111,381
Accumulated Depreciation	<u>(23,192,957)</u>	<u>(19,561,447)</u>	<u>(3,631,510)</u>
Total	<u>\$ 156,716,304</u>	<u>\$ 157,398,212</u>	<u>\$ (681,908)</u>

**Long-Term Debt**

As of June 30, 2021, the District had outstanding debt of \$151,993,025. Of this amount, \$136,678,482 is general obligation bonded debt (principal only), which is backed by the full faith and credit of the District. Bond premiums equal \$14,877,799 and \$436,744 for employee compensated absences. Additional information can be found in Note 5 in the Notes to the Financial Statements section.

Englewood Schools  
**Management’s Discussion and Analysis**  
Year Ended June 30, 2021

	<b>2021</b>	<b>2020</b>	<b>Change</b>
General Obligation Bonds	\$136,678,482	\$140,392,799	(3,714,317)
Deferred Premium	14,877,799	15,752,992	(875,193)
Sick Leave	436,744	367,406	69,338
<b>Totals</b>	<b>\$151,993,025</b>	<b>\$156,513,197</b>	<b>(4,520,172)</b>

**Economic Factors Bearing on the District’s Future**

State Education Funding - In November 2000, Colorado voters approved a provision to the Colorado constitution providing that K-12 funding would increase at pupil growth plus inflation plus one percent for 10 years and thereafter, growth plus inflation. In November 2005, the voters of the State of Colorado passed Referendum C which essentially suspends the “ratchet” effect of the Taxpayers Bill of Rights (TABOR) for five years thus allowing funding at the state level to be closer to pre-recession levels. In 2007, the Colorado Legislature passed a measure freezing public school districts’ mill levies at current levels. The majority of Colorado districts opted out of TABOR spending limitations in general elections (the District opted out in November 1999) and the legislature considered those ballot issues to also encompass taxation matters. The economic downturn in 2008-09 brought reduced funding to public education. The State has introduced a negative factor which lessens the amount allocated per the Public School Finance Act of 1994. In 2020-2021 Englewood Schools Negative Factor, now called Budget Stabilization, was over \$3 million. Projected Budget Stabilization for 2021-2022 is estimated at \$1.6 million.

Student Enrollment – The District’s enrollment declined in the 2020-2021 school year. The district is watching the enrollment numbers closely for the 2021-2022 school year as enrollment is still stabilizing as a result of the COVID-19 pandemic.

Public Employees Retirement Association of Colorado (PERA) - Employer contributions to PERA is the pension plan that covers all District employees. The contribution rate and increases were enacted by the state legislature and the PERA Board in order to meet future pension needs based on actuarial report. The current rate of 20.90% is scheduled to increase to 21.40% on July 1, 2022.

Healthcare – The District contributes an agreed upon monthly amount, based on a Master Agreement, for each eligible certificated member enrolled in the Kaiser group insurance plan. Rising healthcare costs continue to be a concern and a budgetary challenge as the increases in benefit costs exceed the increase in Cost of Living Adjustment (COLA). Medical premiums increased by approximately 4% in 2020-2021.

Requests for Information - This financial report is designed to provide a general overview of Englewood Schools' finances for all those with an interest in the District’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Mary Cooper, Executive Director of Budget & Finance  
Arapahoe County School District One (Englewood Schools)  
4101 S. Bannock Street  
Englewood, CO 80110

## Basic Financial Statements



**Englewood Schools**  
Statement of Net Position  
Governmental Funds  
June 30, 2021

	Total
<b>Assets</b>	
Cash and Investments	\$ 14,379,345
Restricted Cash and Investments	14,354,457
Accounts Receivable	522
Intergovernmental Receivable	117,051
Grants Receivable	1,493,896
Taxes Receivable	1,900,885
Inventories	9,351
Capital Assets, Not Being Depreciated	2,061,620
Capital Assets, Net of Accumulated Depreciation	154,654,684
Total Assets	188,971,811
<b>Deferred Outflows of Resources</b>	
Loss on Debt Refunding, Net of Accumulated Amortization	\$ 1,907,001
OPEB, Net of Accumulated Amortization	199,342
Pension, Net of Accumulated Amortization	19,988,482
Total Deferred Outflows of Resources	22,094,825
<b>Liabilities</b>	
Accounts Payable	\$ 130,260
Accrued Liabilities	1,340,183
Accrued Salaries and Benefits	1,995,748
Unearned Revenue	760,329
Accrued Interest Payable	527,685
Noncurrent Liabilities	
Due Within One Year	4,296,478
Due in More Than One Year	147,696,547
Net OPEB Liability	2,377,945
Net Pension Liability	65,409,990
Total Liabilities	224,535,165
<b>Deferred Inflows of Resources</b>	
OPEB, Net of Accumulated Amortization	852,725
Pensions, Net of Accumulated Amortization	28,726,057
Total Deferred Inflows of Resources	29,578,782
<b>Net Position</b>	
Net Investments in Capital Assets	7,067,024
Restricted for:	
Debt Service	12,997,073
Capital Reserve	200,000
Emergencies	951,000
Unrestricted	(64,262,408)
Total Net Position	\$ (43,047,311)

**Englewood Schools**  
Statement of Activities  
For the Year Ended June 30, 2021

Functiona/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<i>Governmental Activities</i>				
Instruction	\$ 13,364,070	\$ 369,668	\$ 9,083,150	\$ (3,911,252)
Supporting Services	13,755,263	-	1,224,882	(12,530,381)
Food Service	1,167,080	21,295	1,048,643	(97,142)
Interest on Long-Term Debt	5,667,918	-	-	(5,667,918)
Total Governmental Activities	<u>\$ 33,954,331</u>	<u>\$ 390,963</u>	<u>\$ 11,356,675</u>	<u>\$ (22,206,693)</u>
<b>General Revenues</b>				
				31,655,828
				2,293,787
				6,188,389
				93,534
				35,930
				2,700
				<u>322,854</u>
				40,593,022
				<u>18,386,329</u>
				<u>(61,433,640)</u>
				<u>\$ (43,047,311)</u>

**Englewood Schools**  
Balance Sheet  
Governmental Funds  
June 30, 2021

	General	Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total
<b>Assets</b>						
Cash and Investments	\$ 10,756,382	\$ 74,300	\$ -	\$ -	\$ 3,548,663	\$ 14,379,345
Restricted Cash and Investments	-	-	12,573,245	1,781,212	-	14,354,457
Accounts Receivable	-	-	-	-	522	522
Grants Receivable	444,876	854,236	-	-	194,785	1,493,897
Intergovernmental Receivable	117,051	-	-	-	-	117,051
Taxes Receivable	1,282,141	-	618,744	-	-	1,900,885
Inventories	-	-	-	-	9,351	9,351
<b>Total Assets</b>	<b>\$ 12,600,450</b>	<b>\$ 928,536</b>	<b>\$ 13,191,989</b>	<b>\$ 1,781,212</b>	<b>\$ 3,753,321</b>	<b>\$ 32,255,508</b>
<b>Liabilities</b>						
Accounts Payable	\$ 86,129	\$ 4,704	\$ -	\$ -	\$ 39,427	\$ 130,260
Accrued Liabilities	1,340,184	-	-	-	-	1,340,184
Accrued Salaries and Benefits	1,708,053	216,117	-	-	71,578	1,995,748
Unearned Revenue	19,414	707,715	-	-	33,201	760,330
<b>Total Liabilities</b>	<b>3,153,780</b>	<b>928,536</b>	<b>-</b>	<b>-</b>	<b>144,206</b>	<b>4,226,522</b>
<b>Deferred Inflows of Resources</b>						
Property Taxes	346,324	-	194,916	-	-	541,240
<b>Fund Balances</b>						
Nonspendable Inventories	-	-	-	-	9,351	9,351
Restricted for:					-	
Debt Service	-	-	12,997,073	-	-	12,997,073
Capital Renewal	-	-	-	-	200,000	200,000
Capital Projects	-	-	-	1,781,212	-	1,781,212
Emergencies	951,000	-	-	-	-	951,000
Assigned to:					-	
Subsequent Year	1,274,541	-	-	-	-	1,274,541
Tuition Programs	-	-	-	-	202,258	202,258
Scholarships	-	-	-	-	45,840	45,840
Pupil Activities	-	-	-	-	264,273	264,273
Food Services	-	-	-	-	112,868	112,868
Capital Projects	-	-	-	-	2,774,525	2,774,525
Unassigned	6,874,805	-	-	-	-	6,874,805
<b>Total Fund Balances</b>	<b>9,100,346</b>	<b>-</b>	<b>12,997,073</b>	<b>1,781,212</b>	<b>3,609,115</b>	<b>27,487,746</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 12,600,450</b>	<b>\$ 928,536</b>	<b>\$ 13,191,989</b>	<b>\$ 1,781,212</b>	<b>\$ 3,753,321</b>	<b>\$ 32,255,508</b>

**Englewood Schools**  
 Reconciliation of the Balance Sheet of Governmental  
 Funds to the Statement of Net Position  
 For the Year Ended June 30, 2021

**Amounts Reported for Governmental Activities in the  
 Statement of Net Position are Different Because:**

Total Fund Balances of Governmental Funds	\$	27,487,746
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.		156,716,304
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in governmental funds. This amount represents property taxes earned but not available as current financial resources.		541,241
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds:		
Loss on debt refunding		1,907,001
Accrued interest payable		(527,685)
Bonds payable		(136,678,482)
Bonds premiums		(14,877,799)
Accrued compensated absences		(436,744)
Net pension liability		(65,409,990)
Pension-related deferred outflows of resources		19,988,482
Pension-related deferred inflows of resources		(28,726,057)
Net OPEB liability		(2,377,945)
OPEB-related deferred outflows of resources		199,342
OPEB-related deferred inflows of resources		(852,725)
Total Net Position of Governmental Activities	\$	<u>(43,047,311)</u>

**Englewood Schools**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2021

	General	Grants	Bond Redemption	Building	Nonmajor Governmental Funds	Total
<b>Revenues</b>						
Local Sources	\$ 23,333,221	\$ -	\$ 11,505,711	\$ 5,254	\$ 293,124	\$ 35,137,310
County Sources	156	-	-	-	-	156
State Sources	7,793,322	553,144	-	-	8,062	8,354,528
Federal Sources	4,824,456	3,190,041	-	-	1,040,582	9,055,079
<b>Total Revenues</b>	<u>35,951,155</u>	<u>3,743,185</u>	<u>11,505,711</u>	<u>5,254</u>	<u>1,341,768</u>	<u>52,547,073</u>
<b>Expenditures</b>						
Current						
Instruction	20,239,853	1,742,747	-	-	131,798	22,114,398
Supporting Services	16,405,875	2,000,438	-	739,315	1,366,841	20,512,469
Scholarships	8,000	-	-	-	7,000	15,000
Capital Outlay	-	-	-	2,233,091	32,332	2,265,423
Debt Services						
Principal	-	-	3,714,317	-	-	3,714,317
Interest and Fiscal Charges	-	-	6,373,678	-	-	6,373,678
<b>Total Expenditure</b>	<u>36,653,728</u>	<u>3,743,185</u>	<u>10,087,995</u>	<u>2,972,406</u>	<u>1,537,971</u>	<u>54,995,285</u>
<b>Revenues Over (Under) Expenditures</b>	(702,573)	-	1,417,716	(2,967,152)	(196,203)	(2,448,212)
<b>Transfer</b>	(163,409)	-	-	-	163,409	-
<b>Net Change in Fund Balance</b>	<u>(865,982)</u>	<u>-</u>	<u>1,417,716</u>	<u>(2,967,152)</u>	<u>(32,794)</u>	<u>(2,448,212)</u>
<b>Fund Balances, Beginning of year</b>	<u>9,966,328</u>	<u>-</u>	<u>11,579,357</u>	<u>4,748,364</u>	<u>3,641,909</u>	<u>29,935,958</u>
<b>Fund Balance, End of year</b>	<u>\$ 9,100,346</u>	<u>\$ -</u>	<u>\$ 12,997,073</u>	<u>\$ 1,781,212</u>	<u>\$ 3,609,115</u>	<u>\$ 27,487,746</u>

**Englewood Schools**  
 Reconciliation of the Statement of Revenues,  
 Expenditures and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Year Ended June 30, 2021

**Amounts Reported for Governmental Activities in the  
 Statement of Activities are Different Because:**

Net Change in Fund Balances of Governmental Funds \$ (2,448,212)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

Capital outlay	2,970,154
Depreciation expense	(3,650,007)
Loss on disposal of assets	(2,055)

Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements. This amount represents the change in deferred property taxes. (206,411)

The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities. 3,714,317

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This includes the changes in the following:

Accrued interest payable	9,435
Amortization of bond premiums	875,193
Amortization of loss on debt refunding	(181,620)
Accrued compensated absences	(69,337)
Net pension liability	(7,464,999)
Pension-related deferred outflows of resources	12,494,929
Pension-related deferred inflows of resources	12,135,667
Net OPEB liability	471,145
OPEB-related deferred outflows of resources	(6,065)
OPEB-related deferred inflows of resources	(255,805)

Change in Net Position \$ 18,386,329

**Englewood Schools**  
Notes to Financial Statements  
June 30, 2021

**Note 1: Summary of Significant Accounting Policies**

The accounting policies of Englewood Schools (District) conform to general accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the District's more significant policies.

**Reporting Entity**

The financial reporting entity consists of the District, organizations for which the District is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the District. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. Legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the district appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the District.

Based upon the application of this criteria, no additional organizations are included in the District's reporting entity.

**Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the state of net position and the statement of activities) report information on all nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these financial statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported in a single column.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to students or other customers who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds and the fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Englewood Schools**  
Notes to Financial Statements  
June 30, 2021

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

In the fund financial statements, the District reports the following major governmental Funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those accounted for in another fund.

The Grants Fund accounts for local, state and federal grant revenues and the related expenditures.

The Bond Redemption Fund accounts for property taxes restricted for payment of the District' general obligation debt.

The Building Fund accounts for capital expenditures related to improvements made possible by the voters of Englewood. Management chooses to show this fund as a major fund for continuity in reporting throughout the life cycle of the projects.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The agency fund financial statements are reported using the accrual basis of accounting.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end for the current year.

Taxes, intergovernmental revenues, grants and interest associated with the current year are considered to be susceptible to accrual and have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the District.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when a payment is due.

When both restricted and unrestricted resources are available for a specific use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

**Englewood Schools**  
Notes to Financial Statements  
June 30, 2021

**Assets, Liabilities and Fund Balances/Net Position**

Receivables – All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible. Property taxes levied for the current year but not received by year end are reported as taxes receivable and are presented net of an allowance for uncollectible amounts.

Inventories - Food Services Fund records inventories as an asset when individual items are purchased and as an expenditure when consumed. Inventories are stated at average cost and consist of purchased and donated commodities. Purchased inventories are recorded at cost. Donated inventories, received at no cost under a program supported by the federal government, are valued based upon the cost furnished by the federal government.

Interfund Receivables/Payables – During the course of operations certain transactions occur between individual funds. The resulting receivables and payables are classified in the fund financial statements as interfund receivables and interfund payables.

Capital Assets – Capital assets are real, personal and intangible property that have a cost equal to or greater than an established capitalization threshold of \$5,000 and have an estimated useful life extending beyond one year. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of an asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Site Improvements	20 years
Buildings and Improvements	20-50 years
Machinery and Equipment	5-20 years

Accrued Salaries and Benefits – Salaries and retirement benefits of certain contractually employed personnel are paid over a twelve-month period from August to July, but are earned during a school year between nine to ten months. The salaries and benefits earned, but unpaid, are reported as a liability in the financial statements.

Unearned Revenues – Unearned revenues include grants received before eligibility requirements established by the provider have been met, and resources received by the District before it has a legal claim to them, including fees.

Long-Term Debt – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and accounting losses resulting from debt refundings are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financing uses.

**Englewood Schools**  
Notes to Financial Statements  
June 30, 2021

Debt issuance costs, whether or not withheld from debt proceeds, are reported as current expenses or expenditures.

Compensated Absences – Employees are allowed to accumulate unused paid time off based on classification. Generally, paid time off may only be accrued for up to one year. Accrued paid time off is paid to eligible employees upon termination of employment at a specified daily rate based on classification.

These compensated absences are recognized as expenditures in the governmental funds when due. A long-term liability is reported in the government-wide financial statements for the accrued compensated absences when earning.

Deferred Inflows of Resources – Deferred inflows of resources in the governmental fund financial statements include property taxes earned but not available as current financial resources.

*Pensions* – The District participates in the School Division Trust Fund (SCHDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP), and additions to and deductions from the FNP of the SCHDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employer contributions are recognized when the compensation is payable to the employees. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Most of these changes were in effect as of June 30, 2021.

*Postemployment Benefits Other Than Pensions (OPEB)* – The District participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP), and additions to and deductions from the FNP of the HCTF's have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**Englewood Schools**  
Notes to Financial Statements  
June 30, 2021

Net Position/Fund Balances – In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed.

The Board of Education is authorized to establish a fund balance commitment through passage of a resolution and may assign fund balances to a specific purpose through an informal action.

The District has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the District uses restricted fund balance first, followed by committed, assigned, and unassigned balances.

The District's policy requires a minimum unassigned fund balance in the General Fund of 10% of expenditures in the current year adopted budget.

**Property Taxes**

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the District on a monthly basis. When taxes become delinquent, the property is sold on the tax sale date.

**Note 2: Cash and Investments**

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires local government entities to deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At June 30, 2021, the District had bank deposits of \$3,110,821 collateralized with securities held by the financial under the PDPA.

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At June 30, 2021, the District had the following cash and investments:

Cash	\$ 880
Deposits	3,152,645
Investments	<u>25,580,277</u>
Total	<u>\$ 28,733,802</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments	\$ 14,379,345
Restricted Cash and Investments	<u>14,354,457</u>
Total	<u>\$ 28,733,802</u>

### Investments

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest, which may include the following:

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial Paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

State statutes do not address custodial risk.

Interest Rate Risk – State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk – State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk – State statutes do not limit the amount the District may invest in a single issuer of investment securities, except for corporate securities.

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Local Government Investment Pools – At June 30, 2021, the District had \$25,534,436 and \$45,840 invested in the Colorado Local Government Liquid Asset Trust (COLOTrust) and the Colorado Surplus Asset Fund Trust (CSAFE), respectively. The pools are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission’s Rule 2a-7. The pools are measured at the net asset value per share, with each share valued at \$1. The pools are rated AAAM by Standard and Poor’s. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian’s internal records identify the investments owned by the participating governments.

**Restricted Cash and Investments**

At June 30, 2021, \$12,573,245 was restricted in the Bond Redemption Fund for payment of the District’s general obligation debt. In addition, the Building Fund held debt proceeds of \$1,781,212 restricted for capital projects.

**Note 3: Interfund Balances and Transactions**

As of June 30, 2021, the General Fund subsidized the activities of the Food Service Fund through a transfer of \$163,410.

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**Note 4: Capital Assets**

Capital Asset activity for the year ended June 30, 2021, is summarized below:

<b>Governmental Activities</b>	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021
<i>Capital Assets, not being depreciated</i>				
Land	\$ 2,045,111	\$ -	\$ -	\$ 2,045,111
Construction in Progress	4,142,553	2,071,685	(6,197,729)	16,509
<b>Total Capital Assets, not being depreciated</b>	<b>6,187,664</b>	<b>2,071,685</b>	<b>(6,197,729)</b>	<b>2,061,620</b>
<i>Capital Assets, being depreciated</i>				
Site Improvements	146,310	-	-	146,310
Buildings and Improvements	168,453,816	6,964,265	-	175,418,081
Machinery and Equipment	2,171,869	131,933	(20,552)	2,283,250
<b>Total Capital Assets, being depreciated</b>	<b>170,771,995</b>	<b>7,096,198</b>	<b>(20,552)</b>	<b>177,847,641</b>
<i>Less Accumulated Depreciation</i>				
Site Improvements	(20,182)	(3,587)	-	(23,769)
Buildings and Improvements	(18,890,525)	(3,634,719)	-	(22,525,244)
Machinery and Equipment	(650,740)	(11,701)	18,497	(643,944)
	<u>(19,561,447)</u>	<u>(3,650,007)</u>	<u>18,497</u>	<u>(23,192,957)</u>
<b>Total Capital Assets, being depreciated, net</b>	<b>151,210,548</b>	<b>3,446,191</b>	<b>(2,055)</b>	<b>154,654,684</b>
<b>Governmental Activities Capital Assets, net</b>	<b>\$ 157,398,212</b>	<b>\$ 5,517,876</b>	<b>\$ (6,199,784)</b>	<b>\$ 156,716,304</b>

Depreciation expense was charged to District programs as follows:

Instruction	\$ 2,072,839
Supporting Services	1,577,168
<b>Total</b>	<b>\$ 3,650,007</b>

**Note 5: Long-Term Debt**

Following is a summary of long-term debt transactions for the year ended June 30, 2021:

<b>Governmental Activities</b>	Balance 6/30/2020	Additions	Deletions	Balance 6/30/2021	Due Within One Year
2011 GO Bonds	\$ 13,250,000	\$ -	\$ (2,445,000)	\$ 10,805,000	\$ 2,545,000
2011 Bond Premium	1,193,148	-	(104,124)	1,089,024	
2011 GO BEST Lease	5,662,799	-	(374,317)	5,288,482	389,734
2016 GO Bonds	24,835,000	-	-	24,835,000	
2016 Bond Premium	2,916,018	-	(253,566)	2,662,452	
2017 GO Bonds	96,645,000	-	(895,000)	95,750,000	925,000
2017 Bond Premium	11,643,826	-	(517,503)	11,126,323	
Compensated Absences	367,406	156,155	(86,817)	436,744	436,744
<b>Total</b>	<b>\$ 156,513,197</b>	<b>\$ 156,155</b>	<b>\$ (4,676,327)</b>	<b>\$ 151,993,025</b>	<b>\$ 4,296,478</b>

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

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**General Obligation Bonds**

\$41,820,000 General Obligation Bonds, Series 2011, were issued primarily to finance construction of a new middle/high school campus. Interest accrues at rates ranging from 2% to 5% per annum and is payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1 through 2031. In April 2016, the District advance refunded \$23,885,000 of the bonds maturing on or after December 1, 2025.

In December of 2011, the State of Colorado issued Building Excellent Schools Today (BEST) Certificates of Participation, Tax-Exempt Series 2011G. A portion of the proceeds, in the amount of \$8.2 million was proved to the District under site lease and sublease agreements to renovate the existing middle school for the use by Colorado’s Finest Alternative High School. In addition, the District was awarded grant funding of \$9.2 million user the BEST program. Under the sublease agreement, the District is required to make annual base rent payments of \$607,539 to the State of Colorado, including interest accruing at 4.12% per annum, through December 1, 2031.

\$24,835,000 General Obligation Refunding Bonds, Series 2016, were issued to refund a portion of the General Obligation Bonds, Series 2011. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 4% to 5% annually. Principal payments are due annually on December 1, 2022 through 2031.

In June of 2017, \$97.5 million of General Obligation Bonds, Series 2017, were issued to construct four new elementary schools and an early childhood center. Interest payments are due semi-annually on June 1 and December 1, with interest accruing at rates ranging from 4% to 5% annually. Principal payments are due annually on December 1, 2019 through 2042.

Debt payments to maturity are as follows:

<b>Year Ended June 30,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 3,859,734	\$ 6,221,493	\$ 10,081,227
2023	4,010,785	6,052,911	10,063,696
2024	4,197,497	5,892,367	10,089,864
2025	4,329,897	5,752,871	10,082,768
2026	4,478,015	5,575,180	10,053,195
2027-2031	25,609,047	24,636,952	50,245,999
2032-2036	31,413,507	18,641,941	50,055,448
2037-2041	39,890,000	9,903,000	49,793,000
2042-2043	18,890,000	956,000	19,846,000
<b>Total</b>	<b>\$ 136,678,482</b>	<b>\$ 83,632,715</b>	<b>\$ 220,311,197</b>

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**Defeased Debt**

In April 2016, the District deposited bond proceeds in an irrevocable trust with an escrow agent to provide for all future debt service requirements for \$23,885,000 of the General Obligation Bonds, Series 2011, maturing on or after December 1, 2025. As a result, the refunded bonds are considered defeased and the liability has been removed from the financial statements. The bonds will be called and paid in full on December 1, 2021.

**Note 6: Risk Management**

**Colorado School Districts Self Insurance Pool**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees and natural disasters. The District participates in the Colorado School Districts Self Insurance Pool (CSDSIP or the Pool) for all risks of loss except workers compensation, for which it utilizes a commercial insurance carrier.

CSDSIP operates as a self-insurance pool comprised of various school districts and other related public educational entities within the State of Colorado. CSDSIP is administered by a governing board. The Districts pay an annual premium to the Pool for various types of property and liability insurance coverage. CSDSIP's agreement provides that the Pool will be self-sustaining through member premiums and will reinsure through a duly authorized insurer. The reinsurance covers claims against the Pool in excess of specific claim amounts and in the aggregate in an amount and at limits determined by the Pool to be adequate to protect the solvency of CSDSIP.

**Note 7: Defined Benefit Pension Plan**

**General Information**

*Plan Description* - Eligible employees of the District are provided with pensions through the SCHDTF, a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (Annual Report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits Provided* - PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

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The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- a) Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- b) The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annualized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the DPS benefit structure is the greater of the:

- a) Highest average salary multiplied by 2.5% and then multiplied by years of service credit.
- b) \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lessor of an annual increase of 1.25 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the SCHDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified in C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of a disability. The disability benefit amount is based on the lifetime retirement benefit formula shown above considering a minimum of twenty years of service credit, if deemed disabled.

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Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure in place under which service credit was obtained, and the qualified survivor who will receive the benefits.

*Contributions Provisions as of June 30, 2021* - Eligible employees, the District and the State are required to contribute to the SCHDTF at a rate set by Colorado statute. The contribution requirements for the SCHDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Eligible employees are required to contribute 10.00% of their PERA-includable salary during the period of July 01, 2020 through June 30, 2021. The District's contribution rate was 20.90% of covered salaries for July 01, 2020 through June 30, 2021. However, a portion of the District's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (see OPEB Note). Contribution rates for the SCHDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-208(1)(f).

As specified in C.R.S. § 24-51-414, the State is required to contribute \$225 million each year to PERA starting on July 1, 2018. A portion of the direct distribution payment is allocated to the SCHDTF based on the proportionate amount of annual payroll of the SCHDTF to the total annual payroll of the SCHDTF, State Division Trust Fund, Judicial Division Trust Fund, and Denver Public Schools Division Trust Fund. House Bill (HB) 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020 for the State's 2020-21 fiscal year.

Employer contributions are recognized by the SCHDTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions to the SCHDTF. Employer contributions recognized by the SCHDTF from the District were \$4,798,165 for the year ended June 30, 2021.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

The net pension liability for the SCHDTF was measured at December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total pension liability to December 31, 2020. The District proportion of the net pension liability was based on the District contributions to the SCHDTF for the calendar year 2020 relative to the total contributions of participating employers and State as a nonemployer contributing entity.

Due to the aforementioned suspension of the July 1, 2020, direct distribution payment, the nonemployer contributing entity's proportion is zero percent. Pursuant to C.R.S. § 24-51-414, the direct distribution payment from the State of Colorado is to recommence annually starting on July 1, 2021. For purposes of GASB 68 paragraph 15, a circumstance exists in which a nonemployer contributing entity is legally responsible for making contributions to the SCHDTF and is considered to meet the definition of a special funding situation.

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At June 30, 2021, the District reported a liability of 65,409,990 for its proportionate share of the net pension liability. The amount recognized by the District as its proportionate share of the net pension liability, the related support from the State as a nonemployer contributing entity, and the total portion of the net pension liability that was associated with the District were as follows:

District Proportionate share of net pension liability	\$ 65,409,990
The State's proportionate share of net pension liability as a nonemployer contributing entity associated with the School	<u>                    -</u>
Proportionate share of the net pension liability	<u>\$ 65,409,990</u>

At December 31, 2020, the District's proportion was 0.4326634678%, which was an increase of 0.0448064915% from its proportion measured at December 31, 2019.

For the year ended June 30, 2021, the District recognized a pension benefit of \$12,337,400. There was no support from the State as a nonemployer contributing entity.

At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 3,593,953	\$ -
Changes of assumptions and other inputs	6,292,239	10,994,860
Net difference between projected and actual earnings on plan investments	-	14,398,220
Changes in proportion	7,175,385	3,332,977
Contributions subsequent to the measurement date	<u>2,926,905</u>	<u>                    -</u>
Total	<u>\$ 19,988,482</u>	<u>\$ 28,726,057</u>

District contributions subsequent to the measurement date of \$2,926,905 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (benefit) as follows:

<u>Year Ended June 30,</u>	
2022	\$ (11,362,003)
2023	3,446,431
2024	<u>(3,748,908)</u>
Total	<u>\$ (11,664,480)</u>

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*Actuarial Assumptions* - The actuarial valuation as of December 31, 2019, determined the total pension liability using the following actuarial assumptions and other inputs.

Actuarial Cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25% compounded annually
PERA benefit structure hired after 12/31/06	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, with certain adjustments, adjusted as follows:

- *Males*: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- *Females*: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

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Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

Actuarial Cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.25% compounded annually
PERA benefit structure hired after 12/31/06	Financed by the Annual Increase Reserve

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

The pre-retirement mortality assumptions were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97 percent of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105 percent of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

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The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	<u>100.00%</u>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

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*Discount Rate* - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increases in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include the current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- As specified in law, the State, as a nonemployer contributing entity, will provide an annual direct distribution of \$225 million (actual dollars), commencing July 1, 2018, that is proportioned between the State, School, Judicial, and DPS Division Trust Funds based upon the covered payroll of each Division. The annual direct distribution ceases when all Division Trust Funds are fully funded. HB 20-1379 suspended the \$225 million (actual dollars) direct distribution payable on July 1, 2020, for the State's 2020-21 fiscal year.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the SCHDTF's FNP was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount determination

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does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate* - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate:

	<b>1% Decrease (6.25%)</b>	<b>Current Discount Rate (7.25%)</b>	<b>1% Increase (8.25%)</b>
Proportionate share of the net pension liability	\$ 89,224,583	\$ 65,409,990	\$ 45,564,586

*Pension Plan Fiduciary Net Position* - Detailed information about the SCHDTF's FNP is available in PERA's Annual Report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Note 8: Postemployment Healthcare Benefits**

**General Information**

*Plan Description* - Eligible employees of the District are provided with postemployment benefits other than pensions (OPEB) through the HCTF, a cost-sharing multiple-employer defined benefit OPEB plan administered by the Public Employees' Retirement Association of Colorado (PERA). The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (CRS), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. PERA issues a publicly available comprehensive annual financial report (Annual report) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits Provided* - The HCTF provides a healthcare premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the

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premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

*PERA Benefit Structure* - The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are over 65 years of age or who are under 65 years of age and entitled to Medicare. The maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

*DPS Benefit Structure* - The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20

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years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

*Contributions* - Pursuant to Title 24, Article 51, Section 208(1)(f) of the CRS, as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the School Division are required to contribute at a rate of 1.02% of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the District is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the District was \$246,183 for the year ended June 30, 2021.

At June 30, 2021, the District reported a liability of \$2,377,945 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured at December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2020.

The District's proportion of the net OPEB liability was based on the School's contributions to the HCTF for the calendar year ended December 31, 2020, relative to the contributions of all participating employers to the HCTF. At December 31, 2020, the District's proportion 0.2502507471%, which was a decrease of 0.0032274255% from its proportion measured at December 31, 2019.

For the year ended June 30, 2021, the District recognized OPEB expense of \$45,692. At June 30, 2021, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 6,315	\$ 522,790
Changes in assumptions and other inputs	17,771	145,812
Net difference between projected and actual earnings on plan investments	-	97,165
Changes in proportion	25,083	86,958
Contributions subsequent to the measurement date	150,173	-
Total	<u>\$ 199,342</u>	<u>\$ 852,725</u>

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District contributions subsequent to the measurement date of \$150,173 will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense (benefit) as follows:

<u>Year Ended June 30,</u>	
2022	\$ (184,162)
2023	(170,562)
2024	(190,352)
2025	(184,632)
2026	(85,678)
Thereafter	<u>11,830</u>
Total	<u>\$ (803,556)</u>

*Actuarial Assumptions* - The total OPEB liability in the December 31, 2019, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost method	Entry age
Price inflation	2.40%
Real wage growth	1.10%
Wage inflation	3.50%
Salary increases, including wage inflation	3.50%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates:	
Service-based premium subsidy	0.00%
PERACare Medicare Plans	
8.10% in 2020, gradually decreasing to 4.50% in 2029	
Medicare Part A premiums:	
3.50% in 2020, gradually increasing to 4.50% in 2029	

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019 valuation, the following monthly costs/premiums (actual dollars) are assumed for 2020 for the PERA Benefit Structure:

- Medicare Advantage/Self-Insured Rx - Monthly Cost of \$558, Monthly Premium of \$227, Monthly Costs Adjusted to Age 65 of \$550.
- Kaiser Permanente Medicare Advantage HMO - Monthly Cost of \$621, Monthly Premium of \$232, Monthly Costs Adjusted to Age 65 of \$586.

The 2020 Medicare Part A premium is \$458 (actual dollars) per month.

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA

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benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

The mortality assumption for disabled retirees was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuation were based on the results of the 2016 experience analysis for the period January 1, 2012, through December 31, 2015, as well as the October 28, 2016, actuarial assumptions workshop and were adopted by PERA's Board during the November 18, 2016, Board meeting.

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

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June 30, 2021

Actuarial Cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.40% - 11.00%

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions were 7.25 percent.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for each of the Division Trust Funds as shown below were applied, as applicable, in the roll forward calculation for the HCTF, using a headcount-weighted basis.

The pre-retirement mortality assumptions for the School Division were based upon the PubT-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the School Division were based upon the PubT-2010 Healthy Retiree Table, adjusted as follows:

- Males: 112 percent of the rates prior to age 80 and 94 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 83 percent of the rates prior to age 80 and 106 percent of the rates for ages 80 and older, with generational projection using scale MP-2019.

Disabled mortality assumptions for Members other than State Troopers were based upon the PubNS-2010 Disabled Retiree Table using 99 percent of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head-count weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors are considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentages and then adding expected inflation.

The PERA Board first adopted the 7.25 percent long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized, as presented previously (see pension Note).

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected nominal rate of return assumption of 7.25 percent.

*Discount Rate* - The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020 measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

**Englewood Schools**  
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June 30, 2021

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the HCTF's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25% on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25%.

*Sensitivity of the District's proportionate share of Net OPEB Liability to Changes in the Discount Rate* - The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate, as follows:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 2,723,979	\$ 2,377,945	\$ 2,082,286

*Sensitivity of the District's proportionate share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates* - The following presents the net OPEB liability using the current healthcare cost trend rates, ranging from 2.5% to 9.1%, as well as if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rates, as follows:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of the net OPEB liability	\$ 2,316,484	\$ 2,377,945	\$ 2,449,494

*OPEB Plan Fiduciary Net Position* - Detailed information about the HCTF's fiduciary net position is available in PERA's Annual report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

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Notes to Financial Statements  
June 30, 2021

**Note 9: Commitments and Contingencies**

**Claims and Judgments**

The District participates in a number of federal, state and local programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the District may be required to reimburse the grantor government. At June 30, 2021, significant amounts of grant expenditures have not been audited but management believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the District.

**Capital Reserve**

The District was awarded a Building Excellent Districts Today (BEST) grant from State of Colorado (See Note 5). In accordance with the related State statutes, the District is required to establish a capital reserve for the purpose of replacing major facility systems such as roofs, interior finishes, electrical systems and heating, ventilating, and air conditioning systems. At a minimum, the District must contribute \$100 per pupil in the impacted facilities annually to the capital reserve. The capital reserve restricted fund balance remains at \$200,000 as of June 30, 2021.

**TABOR Amendment**

In November 1992, Colorado voters passed the TABOR Amendment to the State Constitution which limits state and local government taxing powers and imposes spending limitations. The District is subject to the Amendment.

In November 1999, voters within the District authorized the District to collect, retain and expend all excess revenues and other funds received from every source, without limitation, in the 1999-2000 budget year and each subsequent budget year thereafter without future voter approval, notwithstanding the limitations of the Amendment. The Amendment is subject to many interpretations, but the District believes it is in substantial compliance with the Amendment.

In accordance with the Amendment, the District has established a reserve for emergencies, representing 3% of qualifying expenditures. At June 30, the reserve was reported as restricted fund balance in the General Fund, in the amount of \$951,000.

## Required Supplementary Information

**Englewood Schools**  
 Required Supplementary Information  
 Schedule of Proportionate Share of the Net Pension Liability and Contributions  
 Public Employees' Retirement Association of Colorado School Division Trust Fund  
 June 30, 2021

	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>
<b>Proportionate Share of the Net Pension Liability</b>			
District's Proportion of the Net Pension Liability	0.4326634678%	0.3878569763%	0.3995341862%
District's Proportionate Share of the Net Pension Liability	\$ 65,409,990	\$ 57,944,991	\$ 70,745,734
State's Proportionate Share of the Net Pension Liability	<u>-</u>	<u>7,349,581</u>	<u>9,673,487</u>
Total Proportionate Share of the Net Pension Liability	<u>\$ 65,409,990</u>	<u>\$ 65,294,572</u>	<u>\$ 80,419,221</u>
District's Covered Payroll	\$ 23,141,839	\$ 22,791,699	\$ 21,964,079
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	283%	254%	322%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	67%	65%	57%
	<u>6/30/21</u>	<u>6/30/20</u>	<u>6/30/19</u>
<b>District Contributions</b>			
Statutorily Required Contribution	\$ 4,798,165	\$ 4,487,395	\$ 4,288,851
Contributions in Relation to the Statutorily Required Contribution	<u>(4,798,165)</u>	<u>(4,487,395)</u>	<u>(4,288,851)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 24,135,627	\$ 23,154,757	\$ 22,419,492
Contributions as a Percentage of Covered Payroll	19.88%	19.38%	19.13%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

(Continued)

**Englewood Schools**  
 Required Supplementary Information  
 Schedule of Proportionate Share of the Net Pension Liability and Contributions  
 Public Employees' Retirement Association of Colorado School Division Trust Fund  
 June 30, 2021  
 (Continued)

	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>	<u>12/31/13</u>
<b>Proportionate Share of the Net Pension Liability</b>					
District's Proportion of the Net Pension Liability	0.4515017619%	0.4495654254%	0.4590972041%	0.4764040107%	0.4771716276%
District's Proportionate Share of the Net Pension Liability	\$ 145,999,623	\$ 133,853,012	\$ 70,215,676	\$ 64,568,746	\$ 60,863,112
State's Proportionate Share of the Net Pension Liability	-	-	-	-	-
Total Proportionate Share of the Net Pension Liability	<u>\$ 145,999,623</u>	<u>\$ 133,853,012</u>	<u>\$ 70,215,676</u>	<u>\$ 64,568,746</u>	<u>\$ 60,863,112</u>
District's Covered Payroll	\$ 20,827,239	\$ 20,177,302	\$ 20,128,645	\$ 19,957,907	\$ 19,236,202
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	701%	663%	349%	324%	316%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	44%	43%	59%	63%	64%
<b>District Contributions</b>					
Statorily Required Contribution	\$ 4,082,563	\$ 3,688,740	\$ 3,563,563	\$ 3,397,776	\$ 3,148,760
Contributions in Relation to the Statorily Required Contribution	<u>(4,082,563)</u>	<u>(3,688,740)</u>	<u>(3,563,563)</u>	<u>(3,397,776)</u>	<u>(3,148,760)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 21,622,858	\$ 20,068,914	\$ 20,094,063	\$ 20,128,645	\$ 19,701,594
Contributions as a Percentage of Covered Payroll	18.88%	18.38%	17.73%	16.88%	15.98%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

**Englewood Schools**  
 Required Supplementary Information  
 Schedule of Proportionate Share of the Net OPEB Liability and Contributions  
 Public Employees' Retirement Association of Colorado Health Care Trust Fund  
 June 30, 2021

	<u>12/31/20</u>	<u>12/31/19</u>	<u>12/31/18</u>	<u>12/31/17</u>
<b>Proportionate Share of the Net OPEB Liability</b>				
District's Proportion of the Net OPEB Liability	0.2502507471%	0.2534781726%	0.2596939453%	0.2565415254%
District's Proportionate Share of the Net OPEB Liability	\$ 2,377,945	\$ 2,849,090	\$ 3,533,245	\$ 3,334,014
District's Covered Payroll	\$ 23,141,839	\$ 22,791,699	\$ 21,964,079	\$ 20,827,239
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll	10%	13%	16%	16%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	33%	24%	17%	18%
<b>District's Contributions</b>				
Statutorily Required Contribution	\$ 246,183	\$ 236,179	\$ 228,679	\$ 220,553
Contributions in Relation to the Statutorily Required Contribution	<u>(246,183)</u>	<u>(236,179)</u>	<u>(228,679)</u>	<u>(220,553)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's Covered Payroll	\$ 24,135,627	\$ 23,154,757	\$ 22,419,492	\$ 21,622,858
Contributions as a Percentage of Covered Payroll	1.02%	1.02%	1.02%	1.02%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

**Englewood Schools**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Local Sources				
Property Tax	\$ 20,192,008	\$ 20,327,587	\$ 20,398,578	\$ 70,991
Specific Ownership Tax	1,567,673	2,126,404	2,293,787	167,383
Tuition and Fees	256,768	94,307	228,214	133,907
Investment Income	80,000	25,441	8,837	(16,604)
Other	399,998	367,167	428,402	61,235
<b>Total Local Sources</b>	<b>22,496,447</b>	<b>22,940,906</b>	<b>23,357,818</b>	<b>(416,912)</b>
County Sources				
Mineral Lease	282	156	156	-
State Sources				
State Equalization and Hold Harmless	6,549,806	5,624,914	6,188,389	563,475
Vocational Education	245,000	295,611	309,094	13,483
Special Education	749,827	771,174	954,183	183,009
Exceptional Children's Educational Act	43,897	52,840	43,889	-
English Language Proficiency Act (ELPA)	119,370	99,088	99,088	-
Transportation	160,000	164,287	174,082	9,795
<b>Total State Sources</b>	<b>7,867,900</b>	<b>7,007,914</b>	<b>7,768,725</b>	<b>(760,811)</b>
General Federal Grants	430,000	2,459,088	4,824,456	(2,365,368)
<b>Total Revenue</b>	<b>30,794,629</b>	<b>32,408,064</b>	<b>35,951,155</b>	<b>(3,543,091)</b>
<b>Expenditures</b>				
Instruction	19,193,490	19,316,372	20,244,132	(927,760)
Supporting Services				
Student Support	2,213,069	2,593,694	2,724,834	(131,140)
Instructional Staff	1,827,472	1,605,143	1,497,081	108,062
General Administration	604,016	651,352	597,744	53,608
School Administration	2,853,970	2,973,474	3,010,247	(36,773)
Business Services	712,147	935,597	403,030	532,567
Operations and Maintenance	4,030,731	4,510,095	4,597,852	(87,757)
Student Transportation	838,804	731,399	650,577	80,822
Central Support	2,011,747	2,745,548	2,397,857	347,692
Other Support	37,873	59,346	478,567	(419,221)
Community Services	250	4,440	51,808	(47,368)
<b>Total Supporting Services</b>	<b>15,130,079</b>	<b>16,810,089</b>	<b>16,409,596</b>	<b>400,492</b>
<b>Total Expenditure</b>	<b>34,323,569</b>	<b>36,126,461</b>	<b>36,653,728</b>	<b>(527,267)</b>

Englewood Schools  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended June 30, 2021  
 (continued)

Excess Revenues Over (Under) Expenditures	(3,528,940)	(3,718,397)	(702,573)	(3,015,824)
Other Financing Sources (Uses) Transfers	<u>(184,104)</u>	<u>(237,613)</u>	<u>(163,409)</u>	<u>74,204</u>
<b>Net Change in Fund Balance</b>	(3,713,044)	(3,956,010)	(865,982)	3,090,027
<b>Fund Balances</b> , Beginning of year	<u>10,525,233</u>	<u>9,966,328</u>	<u>9,966,328</u>	<u>-</u>
<b>Fund Balance</b> , End of year	<u><u>\$ 6,812,189</u></u>	<u><u>\$ 6,010,318</u></u>	<u><u>\$ 9,100,346</u></u>	<u><u>\$ 3,090,027</u></u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Grants Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
State Sources	\$ 1,150,000	\$ 599,413	\$ 553,144	\$ (46,269)
Federal Sources	4,030,000	3,776,583	3,190,041	(586,542)
Total Revenues	<u>5,180,000</u>	<u>4,375,996</u>	<u>3,743,185</u>	<u>(632,811)</u>
<b>Expenditures</b>				
Current				
Instruction	2,411,697	2,037,370	1,742,747	294,623
Supporting Services	2,768,303	2,338,626	2,000,438	338,188
Total Expenditure	<u>5,180,000</u>	<u>4,375,996</u>	<u>3,743,185</u>	<u>632,811</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balances, Beginning of year</b>	-	-	-	-
<b>Fund Balance, End of year</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Englewood Schools**  
Notes to Required Supplementary Information  
June 30, 2021

**Note 1: Schedule of Proportionate Share of the Net Pension Liability and Contributions**

The Public Employees' Retirement Association of Colorado (PERA) School Division Trust Fund's net pension liability and associated amounts are measured annually at December 31, based on an actuarial valuation as of the previous December 31. The District's contributions and related ratios represent cash contributions and any related accruals that coincide with the District's fiscal year ending on June 30.

**Changes in Assumptions and Other Inputs**

For the year ended June 30, 2021, the total pension liability was determined by an actuarial valuation as of December 31, 2019. The following revised economic and demographic assumptions were effective as of December 31, 2019.

- Investment rate of return assumption of 7.25% per year, compounded annually. This assumption did not change from the prior year.
- Price inflation assumption of 2.4% per year. This assumption did not change from the prior year.
- Real rate of investment return assumption of 4.85% per year, net of investment expenses. The rate reflected in the roll-forward calculation of the collective total pension liability to the measurement date was 7.25%. This assumption did not change from prior year.
- Wage inflation assumption of 3.5% per year. This assumption did not change from the prior year.
- Healthy and disabled mortality assumptions are based on the RP-2014 Mortality Tables.

**Note 2: Stewardship, Compliance and Accountability**

**Budgetary Information**

Budgets are adopted for all funds on a basis consistent with generally accepted accounting principles. The District adheres to the following procedures to establish the budgetary information reported in the financial statements.

- Management submits to the Board of Education a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted by the Board of Education to obtain taxpayer comments.
- Prior to June 30, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Revisions that alter the total expenditures of any fund must be approved by the Board of Education.
- All budget appropriations lapse at fiscal year-end.

## Supplementary Information

**Englewood Schools**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2021

	Food Service	Tuition	Capital Reserve	Scholarship Special Revenue Trust	Pupil Activity	Total
<b>Assets</b>						
Cash and Investments	\$ 130	\$ 230,215	\$ 2,974,525	\$ 45,840	\$ 297,953	\$ 3,548,663
Accounts Receivable	522	-	-	-	-	522
Grants Receivable	194,785	-	-	-	-	194,785
Inventories	9,351	-	-	-	-	9,351
<b>Total Assets</b>	<b>\$ 204,788</b>	<b>\$ 230,215</b>	<b>\$ 2,974,525</b>	<b>\$ 45,840</b>	<b>\$ 297,953</b>	<b>\$ 3,753,321</b>
<b>Liabilities</b>						
Accounts Payable	\$ 5,738	\$ 9	\$ -	\$ -	\$ 33,680	\$ 39,427
Accrued Salaries and Benefits	43,630	27,948	-	-	-	71,578
Unearned Revenue	33,201	-	-	-	-	33,201
<b>Total Liabilities</b>	<b>82,569</b>	<b>27,957</b>	<b>-</b>	<b>-</b>	<b>33,680</b>	<b>144,206</b>
<b>Fund Balances</b>						
Nonspendable Inventories	9,351	-	-	-	-	9,351
Restricted for:						
Capital Renewal	-	-	200,000	-	-	200,000
Assigned to:						
Tuition Programs	-	202,258	-	-	-	202,258
Scholarships	-	-	-	45,840	-	45,840
Pupil Activities	-	-	-	-	264,273	264,273
Capital Projects	-	-	2,774,525	-	-	2,774,525
Unassigned	112,868	-	-	-	-	112,868
<b>Total Fund Balances</b>	<b>122,219</b>	<b>202,258</b>	<b>2,974,525</b>	<b>45,840</b>	<b>264,273</b>	<b>3,609,115</b>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<b>\$ 204,788</b>	<b>\$ 230,215</b>	<b>\$ 2,974,525</b>	<b>\$ 45,840</b>	<b>\$ 297,953</b>	<b>\$ 3,753,321</b>

**Englewood Schools**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2021

	<u>Food Service</u>	<u>Tuition</u>	<u>Capital Reserve</u>	<u>Scholarship Special Revenue</u>	<u>Pupil Activity</u>	<u>Total</u>
<b>Revenues</b>						
Local Sources	\$ 21,296	\$ 141,454	\$ 3,819	\$ 46	\$ 126,509	\$ 293,124
State Sources	8,062	-	-	-	-	8,062
Federal Sources	1,040,582	-	-	-	-	1,040,582
<b>Total Revenues</b>	<u>1,069,940</u>	<u>141,454</u>	<u>3,819</u>	<u>46</u>	<u>126,509</u>	<u>1,341,768</u>
<b>Expenditures</b>						
Current						
Instruction	-	-	-	-	131,798	131,798
Supporting Services	1,126,165	145,409	95,267	-	-	1,366,841
Scholarships	-	-	-	6,000	1,000	7,000
Capital Outlay	-	-	32,332	-	-	32,332
<b>Total Expenditure</b>	<u>1,126,165</u>	<u>145,409</u>	<u>127,599</u>	<u>6,000</u>	<u>132,798</u>	<u>1,537,971</u>
<b>Revenues Over (Under) Expenditure</b>	(56,225)	(3,955)	(123,780)	(5,954)	(6,289)	(196,203)
<b>Transfer</b>	<u>163,409</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>163,409</u>
<b>Net Change in Fund Balance</b>	<u>107,184</u>	<u>(3,955)</u>	<u>(123,780)</u>	<u>(5,954)</u>	<u>(6,289)</u>	<u>(32,794)</u>
<b>Fund Balances, Beginning of year</b>	<u>15,035</u>	<u>206,213</u>	<u>3,098,305</u>	<u>51,794</u>	<u>270,562</u>	<u>3,641,909</u>
<b>Fund Balance, End of year</b>	<u><u>\$ 122,219</u></u>	<u><u>\$ 202,258</u></u>	<u><u>\$ 2,974,525</u></u>	<u><u>\$ 45,840</u></u>	<u><u>\$ 264,273</u></u>	<u><u>\$ 3,609,115</u></u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Bond Redemption Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Local Sources				
Property Tax	\$ 11,409,760	\$ 11,409,760	\$ 11,487,736	\$ 77,976
Investment Income	90,000	49,500	17,975	(31,525)
<b>Total Revenues</b>	<u>11,499,760</u>	<u>11,459,260</u>	<u>11,505,711</u>	<u>46,451</u>
<b>Expenditures</b>				
Debt Service				
Principal	3,714,317	3,714,317	3,714,317	-
Interest and Fiscal Charges	6,370,927	6,370,927	6,370,928	-
Bond Issuance/Maintenance Cost	5,000	5,000	2,750	2,250
<b>Total Expenditure</b>	<u>10,090,244</u>	<u>10,090,244</u>	<u>10,087,995</u>	<u>2,250</u>
<b>Net Change in Fund Balance</b>	<u>1,409,516</u>	<u>1,369,016</u>	<u>1,417,716</u>	<u>48,700</u>
<b>Fund Balances, Beginning of year</b>	11,146,831	11,579,357	11,579,357	-
<b>Fund Balance, End of year</b>	<u>\$ 12,556,347</u>	<u>\$ 12,948,373</u>	<u>\$ 12,997,073</u>	<u>\$ 48,700</u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Building Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Local Sources				
Investment Income	\$ 60,000	\$ 15,000	\$ 5,254	\$ (9,746)
Total Revenues	<u>60,000</u>	<u>15,000</u>	<u>5,254</u>	<u>(9,746)</u>
<b>Expenditures</b>				
Current				
Supporting Services	81,600	74,539	739,315	(664,776)
Capital Outlay	6,118,659	4,688,825	2,233,091	2,455,734
Reserves				-
Total Expenditure	<u>6,200,259</u>	<u>4,763,364</u>	<u>2,972,406</u>	<u>1,790,958</u>
<b>Net Change in Fund Balance</b>	<u>(6,140,259)</u>	<u>(4,748,364)</u>	<u>(2,967,152)</u>	<u>(1,781,212)</u>
<b>Fund Balances, Beginning of year</b>	<u>6,140,259</u>	<u>4,748,364</u>	<u>4,748,364</u>	-
<b>Fund Balance, End of year</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,781,212</u></u>	<u><u>\$ 1,781,212</u></u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Food Service Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Local Sources				
Charges for Services	\$ 55,965	\$ 3,620	\$ 17,571	\$ 13,951
Catering	-	351	413	62
Other	-	3,700	3,311	(389)
State Sources				
Grants	19,195	8,062	8,062	-
Federal Sources				
Miscellaneous Revenue	1,048,529	925,916	1,040,582	114,666
<b>Total Revenues</b>	<u>1,123,689</u>	<u>941,649</u>	<u>1,069,940</u>	<u>128,290</u>
<b>Expenditures</b>				
Salaries	491,742	491,586	476,189	15,397
Benefits	192,187	199,987	197,641	2,346
Purchased Services	28,790	32,592	24,251	8,341
Supplies and Materials	599,530	426,566	426,258	308
Property	-	-	1,493	(1,493)
Other	-	-	334	(334)
<b>Total Expenditure</b>	<u>1,312,249</u>	<u>1,150,731</u>	<u>1,126,165</u>	<u>24,566</u>
<b>Excess if Revenue Over (Under) Expenditures</b>	(188,560)	(209,082)	(56,226)	152,856
<b>Other Financing Source</b>				
Transfers	188,560	237,613	163,410	(74,203)
<b>Net Change in Fund Balance</b>	-	28,531	107,184	78,653
<b>Fund Balances, Beginning of year</b>	<u>6,976</u>	<u>15,035</u>	<u>15,035</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u>\$ 6,976</u>	<u>\$ 43,566</u>	<u>\$ 122,219</u>	<u>\$ 78,653</u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Tuition Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Local Sources				
Charges for Services	\$ 122,000	\$ 102,000	\$ 141,454	\$ (39,454)
Total Revenues	<u>122,000</u>	<u>102,000</u>	<u>141,454</u>	<u>(39,454)</u>
<b>Expenditures</b>				
Salaries	94,642	93,314	102,909	(9,595)
Benefits	33,632	28,979	30,955	(1,976)
Purchased Services	19,500	600	6,207	(5,607)
Supplies and Materials	14,700	4,250	4,272	(22)
Other	600	913	1,066	(153)
Total Expenditure	<u>163,074</u>	<u>128,056</u>	<u>145,409</u>	<u>(17,353)</u>
<b>Net Change in Fund Balance</b>	(41,074)	(26,056)	(3,955)	(22,101)
<b>Fund Balances, Beginning of year</b>	<u>197,714</u>	<u>206,213</u>	<u>206,213</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u><u>\$ 156,640</u></u>	<u><u>\$ 180,157</u></u>	<u><u>\$ 202,258</u></u>	<u><u>\$ (22,101)</u></u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Capital Reserve Fund  
 For the Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>				
Local Sources				
Charges for Services	\$ 20,500	\$ 9,500	\$ 3,819	\$ (5,681)
Total Revenues	<u>20,500</u>	<u>9,500</u>	<u>3,819</u>	<u>5,681</u>
<b>Expenditures</b>				
Purchased Services	750,000	382,578	-	382,578
Property	64,000	60,737	127,599	(66,862)
Reserve	<u>260,000</u>	<u>260,000</u>	<u>-</u>	<u>260,000</u>
Total Expenditure	<u>1,074,000</u>	<u>703,315</u>	<u>127,599</u>	<u>575,716</u>
Net Change in Fund Balance	<u>(1,053,500)</u>	<u>(693,815)</u>	<u>(123,780)</u>	<u>570,035</u>
<b>Fund Balances</b> , Beginning of year	<u>3,099,467</u>	<u>3,098,305</u>	<u>3,098,305</u>	-
<b>Fund Balance</b> , End of year	<u><u>\$ 2,045,967</u></u>	<u><u>\$ 2,404,490</u></u>	<u><u>\$ 2,974,525</u></u>	<u><u>\$ 570,035</u></u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Scholarship Special Revenue Fund  
 For the Year Ended June 30, 2021

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
<b>Revenues</b>				
Local Sources				
Investment Income	\$ 600	\$ 600	\$ 46	\$ (554)
Total Revenues	<u>600</u>	<u>600</u>	<u>46</u>	<u>(554)</u>
<b>Expenditures</b>				
Scholarships	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
Total Expenditure	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(5,400)	(5,400)	(5,954)	(554)
<b>Fund Balances, Beginning of year</b>	<u>46,669</u>	<u>51,794</u>	<u>51,794</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u><u>\$ 41,269</u></u>	<u><u>\$ 46,394</u></u>	<u><u>\$ 45,840</u></u>	<u><u>\$ 554</u></u>

**Englewood Schools**  
 Budgetary Comparison Schedule  
 Pupil Activity Special Revenue Fund  
 For the Year Ended June 30, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Local Sources				
Fees and Donations	<u>\$ 198,000</u>	<u>\$ 198,000</u>	<u>\$ 126,509</u>	<u>\$ (71,491)</u>
Total Revenues	<u>198,000</u>	<u>198,000</u>	<u>126,509</u>	<u>(71,491)</u>
<b>Expenditures</b>				
Purchased Services	<u>275,000</u>	<u>275,000</u>	<u>132,798</u>	<u>142,202</u>
Total Expenditure	<u>275,000</u>	<u>275,000</u>	<u>132,798</u>	<u>142,202</u>
<b>Net Change in Fund Balance</b>	(77,000)	(77,000)	(6,289)	70,711
<b>Fund Balances, Beginning of year</b>	<u>266,372</u>	<u>270,562</u>	<u>270,562</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u><u>\$ 189,372</u></u>	<u><u>\$ 193,562</u></u>	<u><u>\$ 264,273</u></u>	<u><u>\$ (70,711)</u></u>

Statistical Section



# ENGLEWOOD SCHOOLS

## Statistical Section

(Unaudited)

This part of Englewood Schools' comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	57
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	61
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	65
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	69
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	71

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in fiscal year 2003.

**ENGLEWOOD SCHOOLS**  
**Net Position by Components**  
**Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30,</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015 (1)</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Governmental activities:</b>										
Net investment in capital assets	\$ (5,827,151)	\$ 2,545,616	\$ 6,295,190	\$ 8,165,022	\$ 4,986,120	\$ 11,368,868	\$ 14,668,006	\$ 13,833,851	\$ 3,341,042	\$ 7,067,024
Restricted	7,917,264	6,686,652	6,186,108	5,778,861	6,258,709	9,536,226	10,049,864	11,454,051	13,215,201	14,148,073
Unrestricted	13,453,151	14,877,649	11,985,937	(52,487,652)	(50,195,974) *	(77,737,085)	(103,377,587)	(95,389,144)	(77,989,883)	(64,262,408)
Total governmental activities net position	15,543,264	24,109,917	24,467,235	(38,543,769)	(38,951,145)	(56,831,991) **	(78,659,717)	(70,101,242)	(61,433,640)	(43,047,311)
<b>Business-type activities</b>										
Unrestricted	262,734	262,022	178,488	-	-	-	-	-	-	-
Total business-type activities net position	262,734	262,022	178,488	-	-	-	-	-	-	-
<b>Totals</b>										
Net investment in capital assets	(5,827,151)	2,545,616	6,295,190	8,165,022	4,986,120	11,368,868	14,668,006	13,833,851	3,341,042	7,067,024
Restricted	7,917,264	6,686,652	6,186,108	5,778,861	6,258,709	9,536,226	10,049,864	11,454,051	13,215,201	14,148,073
Unrestricted	13,715,885	15,139,671	12,164,425	(52,487,652)	(50,195,974)	(77,737,085)	(103,377,587)	(95,389,144)	(77,989,883)	(64,262,408)
Total primary government net position	\$ 15,805,998	\$ 24,371,939	\$ 24,645,723	\$ (38,543,769)	\$ (38,951,145)	\$ (56,831,991)	\$ (78,659,717)	\$ (70,101,242)	\$ (61,433,640)	\$ (43,047,311)

(1) During 2015 the Food Service and Tuition Funds were switched to Special Revenue Funds and the District implemented GASB 68.

\*2016 Restated

\*\* 2017 Beginning balance restated for adoption of GASB Statement 75 - Financial Reporting of Postemployment Benefits (OPEB) Other than Pension

ENGLEWOOD SCHOOLS

Changes in Net Position  
Last Ten Fiscal Years

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015 (1)	2016	2017	2018	2019	2020	2021
<b>Expenses</b>										
Governmental activities:										
Instruction	\$ 17,495,595	\$ 17,896,118	\$ 18,737,280	\$ 22,485,723	\$ 20,067,010	\$ 31,910,508	\$ 36,406,821	\$ 19,384,882	\$ 22,708,387	\$ 13,364,070
Supporting Services	12,627,729	13,423,963	13,920,935	17,110,664	16,527,157	24,456,894	27,666,561	13,974,800	14,807,371	14,922,343
Interest Expense	2,001,675	2,499,170	2,392,566	2,277,186	6,331,270	2,344,382	6,022,085	7,168,707	6,966,521	5,667,918
Total governmental activities expenses	32,124,999	33,819,251	35,050,781	41,873,573	42,925,437	58,711,784	70,095,467	40,528,389	44,482,279	33,954,331
Business-type activities:										
Food Services	1,068,992	1,137,015	1,174,040	-	-	-	-	-	-	-
Tuition	340,042	393,253	397,343	-	-	-	-	-	-	-
Total business-type activities expenses	1,409,034	1,530,268	1,571,383	-	-	-	-	-	-	-
<b>Total primary government expenses</b>	<b>33,534,033</b>	<b>35,349,519</b>	<b>36,622,164</b>	<b>41,873,573</b>	<b>42,925,437</b>	<b>58,711,784</b>	<b>70,095,467</b>	<b>40,528,389</b>	<b>44,482,279</b>	<b>33,954,331</b>
<b>Program revenues:</b>										
Governmental activities:										
Charges for services	69,866	93,444	254,449	1,095,984	934,623	647,207	706,173	742,278	665,109	390,963
Operating/Capital grants and contributions	4,837,752	12,269,253	5,002,377	5,761,333	6,421,796	5,557,183	6,117,723	6,427,754	6,785,692	11,356,675
Total governmental activities program revenue	4,907,618	12,362,697	5,256,826	6,857,317	7,356,419	6,204,390	6,823,896	7,170,032	7,450,801	11,747,638
Business-type activities:										
Charges for services	503,992	559,317	506,956	-	-	-	-	-	-	-
Operating grants and contributions	907,937	970,239	980,893	-	-	-	-	-	-	-
Total business-type activities program revenue	1,411,929	1,529,556	1,487,849	-	-	-	-	-	-	-
<b>Total primary government revenues</b>	<b>6,319,547</b>	<b>13,892,253</b>	<b>6,744,675</b>	<b>6,857,317</b>	<b>7,356,419</b>	<b>6,204,390</b>	<b>6,823,896</b>	<b>7,170,032</b>	<b>7,450,801</b>	<b>11,747,638</b>
Net (Expenses) Revenue										
Governmental activities	(27,217,381)	(21,456,554)	(29,793,955)	(35,016,256)	(35,569,018)	(52,507,394)	(63,271,571)	(33,358,357)	(37,031,478)	(22,206,693)
Business-type activities	2,895	(712)	(83,534)	-	-	-	-	-	-	-
Total primary government net expense	(27,214,486)	(21,457,266)	(29,877,489)	(35,016,256)	(35,569,018)	(52,507,394)	(63,271,571)	(33,358,357)	(37,031,478)	(22,206,693)
<b>General revenues:</b>										
Governmental Activities										
Property taxes	18,427,279	19,104,915	19,069,549	18,871,234	20,274,187	25,166,657	28,649,327	28,628,712	31,532,905	31,655,828
Specific ownership taxes	1,058,274	1,253,944	1,337,194	1,439,746	1,523,542	1,800,766	2,214,391	2,121,697	2,199,951	2,293,787
State equalization	10,084,015	9,343,027	9,246,246	10,304,676	9,562,116	9,869,298	8,384,015	8,997,083	8,444,027	6,188,389
Investment income	19,093	1,998	4,603	9,245	18,213	183,014	1,658,346	1,487,349	543,892	35,930
Other revenues	439,377	319,323	493,681	438,351	453,148	817,453	537,766	681,991	2,637,629	419,088
Total general revenues	30,028,038	30,023,207	30,151,273	31,063,252	31,831,206	37,837,188	41,443,845	41,916,832	45,358,404	40,593,022
<b>Change in net position</b>										
Governmental activities	2,810,657	8,566,653	357,318	(3,953,004)	(3,737,812)	(14,670,206)	(21,827,726)	8,558,475	8,326,926	18,386,329
Business-type activities	2,895	(712)	(83,534)	-	-	-	-	-	-	-
Total primary government change in net position	\$ 2,813,552	\$ 8,565,941	\$ 273,784	\$ (3,953,004)	\$ (3,737,812)	\$ (14,670,206)	\$ (21,827,726)	\$ 8,558,475	\$ 8,326,926	\$ 18,386,329

(1) During 2015 the Food Service and Tuition Funds were switched to Special Revenue Funds and the District implemented GASB 68.

**ENGLEWOOD SCHOOLS**

**Fund Balances - Governmental Funds  
Last Ten Fiscal Years**

	Fiscal Year Ended June 30,									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Restricted	859,380	846,109	860,601	912,947	1,054,569	1,090,490	1,168,809	1,384,276	1,435,844	951,000
Assigned	-	3,717,773	3,378,687	1,793,201	1,508,699	2,150,444	3,267,597	2,175,310	3,579,944	1,274,541
Unassigned	12,253,380	8,181,936	6,230,118	6,335,574	6,701,270	7,447,757	5,652,549	6,395,620	4,950,540	6,874,805
Total general fund	13,112,760	12,745,818	10,469,406	9,041,722	9,264,538	10,688,691	10,088,955	9,955,206	9,966,328	9,100,346
All Other Governmental Funds										
Nonspendable inventory					7,350	6,787	5,902	6,977	15,035	9,351
Restricted, reported in:										
Capital projects fund	55,394,291	36,995,704	11,219,155	320,835	200,000	200,000	200,000	200,000	200,000	200,000
Debt service fund	5,194,031	5,075,936	4,907,082	4,751,365	5,315,482	8,608,704	8,797,627	10,238,611	11,579,357	12,997,073
Building fund						106,650,504	66,285,777	23,955,752	4,748,364	1,781,212
Scholarships						-	-	-	51,794	45,840
Pupil Activity						-	-	-	270,562	264,273
Assigned, reported in:										
Food Services	-	-	-	142,964	-	-	-	-	-	112,868
Tuition Fund	-	-	-	25,819	21,986	66,027	143,144	179,172	206,213	202,258
Capital projects fund	903,258	1,134,459	2,355,394	744,940	1,147,432	572,121	773,547	1,044,435	2,898,305	2,774,525
Total all other governmental funds	61,491,580	43,206,099	18,481,631	5,985,923	6,692,250	116,104,143	76,205,997	35,624,947	19,969,630	18,387,400
Total all governmental funds	\$ 74,604,340	\$ 55,951,917	\$ 28,951,037	\$ 15,027,645	\$ 15,956,788	\$ 126,792,834	\$ 86,294,952	\$ 45,580,153	\$ 29,935,958	\$ 27,487,746

**ENGLEWOOD SCHOOLS**  
**Changes in Fund Balances - Governmental Funds**  
**Last Ten Fiscal Years**

	<b>Fiscal Year Ended June 30,</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>Revenues:</b>										
Local Sources	\$ 20,285,110	\$ 28,630,133	\$ 21,809,419	\$ 21,553,630	\$ 23,390,918	\$ 28,600,858	\$ 33,136,846	\$ 34,369,985	\$ 37,605,569	\$ 35,137,466
State Sources	11,562,690	11,227,346	11,060,772	12,693,466	12,056,355	11,811,832	10,689,059	12,146,349	11,156,638	8,354,528
Federal Sources	2,971,123	2,694,954	2,564,495	3,308,204	3,458,189	3,614,649	3,812,679	3,803,321	4,136,530	9,055,079
Charges for Services	-	-	-	501,975	457,757	-	-	-	-	-
<b>Total revenues</b>	<b>34,818,923</b>	<b>42,552,433</b>	<b>35,434,686</b>	<b>38,057,275</b>	<b>39,363,219</b>	<b>44,027,339</b>	<b>47,638,584</b>	<b>50,319,655</b>	<b>52,898,737</b>	<b>52,547,073</b>
<b>Expenditures:</b>										
Instruction	16,967,332	17,102,464	17,897,403	18,538,071	17,874,770	17,789,397	19,418,024	20,325,628	20,794,780	22,114,398
Support services	11,570,619	12,393,421	13,313,628	14,428,450	14,832,617	16,393,717	16,831,512	16,693,861	19,047,421	20,527,469
Capital outlay	2,455,029	26,175,563	27,404,795	13,642,683	804,075	3,597,358	41,803,464	44,752,297	18,942,783	2,265,423
Debt service:										
Principal	2,444,722	2,797,319	2,892,192	2,998,814	26,995,915	3,238,514	3,366,632	2,655,290	3,589,511	3,714,317
Interest and fiscal charges	1,660,049	2,786,089	2,680,048	2,551,137	6,960,456	2,323,042	6,716,834	6,607,378	6,509,113	6,373,678
Bond issuance costs	311,637	-	-	-	-	588,725	-	-	-	-
<b>Total expenditures</b>	<b>35,409,388</b>	<b>61,254,856</b>	<b>64,188,066</b>	<b>52,159,155</b>	<b>67,467,833</b>	<b>43,930,753</b>	<b>88,136,466</b>	<b>91,034,454</b>	<b>68,883,608</b>	<b>54,995,285</b>
<b>Other Financing Services (Uses)</b>										
Bonds issued	49,996,986	-	-	-	24,835,000	97,500,000	-	-	-	-
Bond premium	4,964,028	-	-	-	4,198,757	13,239,460	-	-	-	-
Proceeds from Sale of Capital Assets	25,303	50,000	1,752,500	-	-	-	-	-	-	-
Transfers in	200,000	678,674	650,000	900,000	469,194	235,652	544,957	488,220	155,368	163,409
Transfers out	(200,000)	(678,674)	(650,000)	(900,000)	(469,194)	(235,652)	(544,957)	(488,220)	(155,368)	(163,409)
<b>Total other financing sources (uses)</b>	<b>54,986,317</b>	<b>50,000</b>	<b>1,752,500</b>	<b>-</b>	<b>29,033,757</b>	<b>110,739,460</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ 54,395,852</b>	<b>\$ (18,652,423)</b>	<b>\$ (27,000,880)</b>	<b>\$ (14,101,880)</b>	<b>\$ 929,143</b>	<b>\$ 110,836,046</b>	<b>\$ (40,497,882)</b>	<b>\$ (40,714,799)</b>	<b>\$ (15,984,871)</b>	<b>\$ (2,448,212)</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>11.6%</b>	<b>9.1%</b>	<b>8.7%</b>	<b>10.6%</b>	<b>50.3%</b>	<b>13.9%</b>	<b>11.4%</b>	<b>18.8%</b>	<b>37.4%</b>	<b>19.1%</b>

**ENGLEWOOD SCHOOLS**

**Assessed Value and Estimated Actual Value of Taxable Property  
Last Ten Fiscal Years  
(Unaudited)**

December Certification Year	Collection Year	Total Taxable Assessed Value	Total Direct Tax Rate (in mills)	Estimated Actual Value			Percentage of Assessed Value to Estimated Actual Value
				Residential Property	Commercial Property	Total Estimated Actual Value	
2006	2006	339,906,040	40.141	1,774,121,288	700,824,325	2,474,945,613	13.73%
2007	2007	358,907,480	40.354	1,855,094,065	743,437,745	2,598,531,810	13.81%
2008	2008	358,484,270	37.211	2,005,430,059	757,467,138	2,762,897,197	12.97%
2009	2009	421,381,030	37.195	2,015,631,030	709,270,550	2,724,901,580	15.46%
2010	2011	420,770,900	37.199	2,015,443,630	897,670,852	2,913,114,482	14.44%
2011	2012	419,880,340	37.495	1,869,911,551	934,536,232	2,804,447,783	14.97%
2012	2013	404,882,670	45.858	1,818,642,994	896,906,482	2,715,549,476	14.91%
2013	2014	411,108,940	46.719	1,819,669,002	918,095,359	2,737,764,361	15.02%
2014	2015	408,615,730	46.874	1,805,864,441	913,290,625	2,719,155,066	15.03%
2015	2016	406,326,674	47.018	1,815,549,956	902,662,338	2,718,212,294	14.95%
2016	2017	466,336,848	44.268	2,296,133,877	977,831,201	3,273,965,078	14.24%
2017	2018	465,378,090	54.561	2,316,009,395	968,485,752	3,284,495,147	14.17%
*2018	2019	550,926,301	52.372	3,147,414,893	1,118,317,406	4,265,732,299	12.92%
2019	2020	634,799,034	49.852	3,844,614,733	1,241,059,581	5,085,674,314	12.48%
2020	2021	638,426,625	49.854	3,943,453,298	1,226,896,768	5,170,350,066	12.35%

Source: Arapahoe County Assessor's Office

\* 2018 restated

The assessment ratios for all taxable property in the State of Colorado are as follows:

Year	Residential	Commercial	Valuation Year
2011	7.96%	29.00%	2010
2012	7.96%	29.00%	2010
2013	7.96%	29.00%	2012
2014	7.96%	29.00%	2012
2015	7.96%	29.00%	2014
2016	7.96%	29.00%	2014
2017	7.96%	29.00%	2016
2018	7.20%	29.00%	2018
2019	7.20%	29.00%	2018
2020	7.15%	29.00%	2020

Collection Year	Englewood Schools			Overlapping Rates								
	General Fund Millage	Bond Redemption Fund Millage	Total School Millage	Arapahoe County	City of Englewood	City of Littleton	City of Cherry Hills Village	Arapahoe Regional Library District	South Metro Fire & Rescue	South Suburban Recreation District	Urban Drainage & Flood Control District	Littleton Fire District**
2006	31.513	8.628	40.141	15.451	8.320	6.662	7.300	4.963	-	7.117	0.532	7.678
2007	31.388	8.966	40.354	16.083	8.400	6.662	13.117	4.893	-	7.008	0.542	7.678
2008	29.580	7.631	37.211	15.217	8.173	6.662	13.117	4.814	-	6.868	0.507	7.678
2009	29.564	7.631	37.195	15.676	8.400	6.662	13.117	4.814	-	6.868	0.507	7.678
2011	29.952	7.543	37.495	15.949	8.010	6.662	13.402	4.869	9.541	6.869	0.576	7.678
2012	32.027	13.831	45.858	17.316	7.621	6.662	13.295	4.981	9.661	7.034	0.623	7.678
2013	33.511	13.208	46.719	17.150	7.794	6.662	13.304	4.903	9.519	6.960	0.657	7.678
2014	33.610	13.264	46.874	17.130	8.124	6.662	13.374	4.861	9.444	6.915	0.672	7.678
2015	33.679	13.339	47.018	16.950	8.124	6.662	13.360	4.794	9.319	8.808	0.700	7.678
2016	32.422	11.846	44.268	14.856	7.804	6.662	13.557	5.916	9.199	8.651	0.700	7.678
2017	35.361	19.200	54.561	15.039	11.613	6.662	13.559	5.926	9.250	8.643	0.620	7.678
2018	33.371	18.807	52.178	13.817	10.745	6.662	13.559	5.853	9.250	8.496	0.557	7.678
2019	33.566	18.807	52.373	14.310	10.710	6.662	13.813	5.820	9.250	8.460	0.82*	7.678
2020	31.852	18.000	49.852	12.685	9.438	2.000	14.722	5.799	9.250	8.365	0.900	7.678
2021	31.880	17.974	49.854	13.013	9.576	2.000	14.722	5.810	9.250	8.385	0.900	-

Source: Arapahoe County Assessor's Office.

\* Updated information

Note: All numbers shown are Mill Levies (amounts assessed per \$1,000).

\*\*Littleton Fire Protection District terminated services and are now included with South Metro Fire Rescue District

**ENGLEWOOD SCHOOLS**  
**Principal Property Taxpayers**  
**Current Year and Nine Years Ago**

2020				2011			
Taxpayer	Assessed Valuation	Rank	Percent of Total Assessed Valuation	Taxpayer	Assessed Valuation	Rank	Percent of Total Assessed Valuation
Columbia Healthone LLC	\$ 22,960,975	1	3.60%	Columbia HealthOne	\$ 23,200,010	1	5.53%
Swedish Medical Center	16,277,708	2	2.55%	Qwest Corp	7,873,600	2	1.88%
Public SVC CO of Colorado	8,883,680	3	1.39%	Swedish Medical Center	7,107,860	3	1.70%
Columbia Healthone LLC	5,045,641	4	0.79%	Public SVC CO of Colorado	4,301,480	4	1.03%
Northern Englewood Limited	4,859,240	5	0.76%	Englewood Meridian LP	3,502,410	5	0.84%
Qwest Corp	4,742,200	6	0.74%	ODC Limited No 4	3,335,010	6	0.80%
BKD Englewood Colorado LLC	4,254,250	7	0.67%	Healthone	3,126,730	7	0.75%
SPUS8 Englewood LP	4,244,716	8	0.66%	Situs Enterprise LLC	3,045,000	8	0.73%
Avalon Axis Oxford LLC	4,238,940	9	0.66%	Sprint Nextel Corp	2,927,600	9	0.70%
SCG Atlas Marks LLC	<u>3,603,600</u>	10	<u>0.56%</u>	801/901 Englewood Parkway	<u>2,481,530</u>	10	<u>0.59%</u>
	<u>\$ 79,110,950</u>		<u>12.39%</u>	Total	<u>\$ 60,901,230</u>		<u>14.53%</u>
Total Assessed Valuation	\$638,426,625				\$419,194,850		

Source: Arapahoe County Assessor's Office

**ENGLEWOOD SCHOOLS**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

Calendar Year	Taxes Levied for the Calendar Year	Collected within the Fiscal Year of the Levy		Collections Subsequent to Fiscal Year End	Total Collections to Date	
		Amount (1)	Percentage of Levy		Amount	Percentage of Levy
2006	14,406,905	13,853,271	96.2%	494,420	14,347,691	99.6%
2007	14,466,274	13,687,559	94.6%	722,847	14,410,406	99.6%
2008	15,680,010	14,818,921	94.5%	767,785	15,586,706	99.4%
2009	15,650,574	14,935,112	95.4%	621,548	15,556,660	99.4%
2010	15,772,176	14,893,494	94.4%	786,165	15,679,659	99.4%
2011	15,730,614	14,973,487	95.2%	618,457	15,591,944	99.1%
2012	18,567,109	17,570,985	94.6%	897,902	18,468,887	99.5%
2013	19,206,728	18,389,912	95.7%	738,587	19,128,499	99.6%
2014	19,153,660	18,128,092	94.6%	847,472	18,975,564	99.1%
2015	19,104,479	18,250,649	95.5%	826,543	19,077,192	99.9%
2016	20,643,712	19,669,522	95.3%	881,234 (2)	20,550,756	99.5%
2017	25,391,328	23,981,074	94.4%	785,192 (2)	24,766,266	97.5%
2018	28,823,080	26,525,937	92.0%	1,120,434 (2)	23,030,021	79.9%
2019	28,827,177	27,381,560	95.0%	530,294 (2)	27,911,854	96.8%
2020	31,599,936	29,961,603	94.8%	912,518 (2)	30,874,121	97.7%
2021	31,959,974	30,330,836	95.4%	901,129 (2)	31,231,965	97.7%

(1) Property tax collection amounts are for current taxes only. In the financial statements, property tax revenue also includes delinquent taxes and interest on current and delinquent taxes.

(2) July-December 2020 subsequent collections, received in August-January, are not known at this time.

Source: Arapahoe County Assessor's Office, District Audited Financial Statements 2011-2020.

**ENGLEWOOD SCHOOLS**

**Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year	<u>Governmental Activities</u>			Total Primary Government	Population	Per Capita	Personal Income	Percent of Personal Income	Actual Value	Percent of Actual Value
	General Obligation Bonds	EPA Note	Capital Leases							
2006	29,214,143	56,668	58,084	29,328,895	32,491	903	679,191,864	4.3%	2,474,945,613	1.2%
2007	27,413,559	47,224	-	27,460,783	32,491	845	679,191,864	4.0%	2,598,531,810	1.1%
2008	25,322,550	37,780	-	25,360,330	32,286	785	674,906,544	3.8%	2,762,897,197	0.9%
2009	23,020,496	28,336	-	23,048,832	32,532	708	680,048,928	3.4%	2,724,901,580	0.8%
2010	21,407,619	18,892	-	21,426,511	32,532	659	680,048,928	3.2%	2,913,114,482	0.7%
2011	19,035,000	9,448	-	19,044,448	30,255	629	632,450,520	3.0%	2,804,447,783	0.7%
2012	71,782,621	-	-	71,782,621	30,255	2,373	793,528,140	9.0%	2,715,549,476	2.6%
2013	68,587,509	-	-	68,587,509	30,930	2,218	831,460,260	8.2%	2,737,764,361	2.5%
2014	65,297,523	-	-	65,297,523	30,534	2,139	784,174,188	8.3%	2,719,155,066	2.4%
2015	62,006,602	-	-	62,006,602	31,516	1,967	817,682,620	7.6%	2,718,212,294	2.3%
2016	63,489,915	-	-	63,489,915	31,516	2,015	825,971,328	7.7%	3,273,965,078	1.9%
2017	168,402,491	-	-	168,402,491	32,301	5,214	846,544,608	19.9%	3,284,495,147	5.1%
*2018	164,140,978	-	-	164,140,978	32,301	5,082	907,690,401	18.1%	4,265,732,299	3.8%
2019	160,610,495	-	-	160,610,495	33,155	4,844	1,108,670,045	14.5%	4,987,263,651	3.2%
2020	156,145,791	-	-	156,145,791	33,002	4,731	960,424,204	16.3%	5,085,672,314	3.1%
2021	151,556,281	-	-	151,556,281	34,917	4,340	1,294,827,111	11.7%	5,170,350,066	2.9%

Source: District Audited Financial Statements.

\* Restated

Source: Population from City of Englewood

Note:

The District sold \$50,000,000 in bonds as a result of a successful November 2011 Bond Election.

The District refunded \$23,579,085 during the 2016 fiscal year.

The District sold \$24,835,000 in bonds as a result of an April 2016 refunding.

The District sold \$110,739,460 in bonds as a result of a successful November 2016 Bond Election.

## ENGLEWOOD SCHOOLS

### Ratios of General Bonded Debt Outstanding Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Less Amount Available in Debt Service Fund	Total Primary Government	Population	Per Capita	Actual Value	Percent of Actual Value
2006	29,214,143	(3,103,306)	26,110,837	32,491	804	2,474,945,613	1.1%
2007	27,413,559	(3,116,006)	24,297,553	32,491	748	2,598,531,810	0.9%
2008	25,322,550	(3,396,672)	21,925,878	32,286	679	2,762,897,197	0.8%
2009	23,020,496	(3,198,517)	19,821,979	32,532	609	2,724,901,580	0.7%
2010	21,407,619	(3,852,533)	17,555,086	32,532	540	2,913,114,482	0.6%
2011	19,035,000	(3,814,491)	15,220,509	30,255	503	2,804,447,783	0.5%
2012	71,782,621	(5,194,031)	66,588,590	30,255	2,201	2,715,549,476	2.5%
2013	68,587,509	(5,075,936)	63,511,573	30,930	2,053	2,737,764,361	2.3%
2014	65,297,523	(4,907,082)	60,390,441	30,534	1,978	2,719,155,066	2.2%
2015	62,006,602	(4,751,365)	57,255,237	31,516	1,817	2,718,212,294	2.1%
2016	63,489,915	(5,315,482)	58,174,433	31,516	1,846	3,273,965,078	1.8%
2017	168,402,491	(8,245,736)	160,156,755	32,301	4,958	3,284,495,147	4.9%
2018	164,140,978	(8,681,055)	155,459,923	32,301	4,813	4,265,732,299	3.6%
2019	160,610,495	(10,238,611)	150,371,884	33,155	4,535	4,987,263,651	3.0%
2020	156,145,791	(11,579,357)	144,566,434	33,002	4,381	5,085,672,314	2.8%
2021	151,556,281	(12,997,073)	138,559,208	34,917	3,968	5,170,350,066	2.7%

Source: District Audited Financial Statements 2012-2021

Source: Population from City of Englewood

Note: The District refunded \$9,075,000 during the 2008 fiscal year.  
 The District sold \$50,000,000 in bonds as a result of a successful November 2011 Bond Election.  
 The District refunded \$23,579,085 during the 2016 fiscal year.  
 The District sold \$24,835,000 in bonds as a result of an April 2016 refunding.  
 The District sold \$110,739,460.25 in bonds as a result of a successful November 2016 Bond Election.

**ENGLEWOOD SCHOOLS**

**Direct and Overlapping Governmental Activities Debt**

Taxing Authority	Gross Debt Outstanding	Percentage Applicable to District	Overlapping Debt Applicable to District
Overlapping Debt:			
City of Englewood	\$ 39,897,434	97.3%	\$ 38,828,183
South Suburban Metropolitan Recreation and Park District	39,235,000	0.5%	195,602
<b>Total Overlapping Debt</b>			<b>39,023,785</b>
Direct Debt:			
Englewood School District	151,556,281	100.0%	151,556,281
<b>Total Direct and Overlapping Debt</b>			<b>\$ 190,580,066</b>

Note: Overlapping rates are those governments that apply to property owners within the Englewood School District. Not all overlapping rates apply to all Englewood School District property owners. Percentage applicable to District is based on geographic boundaries.

Source: The various taxing authorities and the Arapahoe County Assessor's Office.

**ENGLEWOOD SCHOOLS**

**Legal Debt Margin Information  
Last Ten Fiscal Years**

Fiscal Year	Debt limit	Total Net Debt Applicable To Limit	Legal Debt Margin	Total Net Debt Applicable To Limit
2006	71,781,496	26,110,837	45,670,659	36.38%
2007	71,696,854	24,297,553	47,399,301	33.89%
2009	84,154,180	19,821,979	64,332,201	23.55%
2010	84,798,924	17,555,086	67,243,838	20.70%
2011	83,907,798	15,220,509	68,687,289	18.14%
2012	80,976,534	61,397,955	19,578,579	75.82%
2013	82,221,788	58,718,731	23,503,057	71.42%
2014	81,723,146	55,995,393	25,727,753	68.52%
2015	81,265,335	53,152,296	28,113,039	65.41%
2016	93,267,370	50,427,264	42,840,106	54.07%
2017*	197,096,353	141,395,528	55,700,825	71.74%
2018	254,920,714	137,956,595	116,964,119	54.12%
2019	299,235,819	154,625,978	144,609,841	51.67%
2020	305,140,339	144,833,588	160,306,751	47.46%
2021	310,221,004	164,553,354	145,667,650	53.04%

Computation of Maximum Debt Allowed for Fiscal Year 2021

Taxable Actual Valuation	\$ 5,170,350,066
Debt Limit Percentage (1)	6%
<b>Legal Debt Limit</b>	<b>\$ 310,221,004</b>
Total Bonded Debt	\$ 151,556,281
Amount Available in Debt Service Fund	(12,997,073)
Net Bonded Debt	<u>164,553,354</u>
<b>Legal Debt Margin</b>	<b>\$ 145,667,650</b>

- (1) Colorado Statute No. 22-42-104: Each school district shall have a limit of bonded indebtedness of 20% of the latest valuation for assessment of the taxable property in such district, as certified by the assessor to the Board of County Commissioners, or 25% if enrollment has increased by 3% or more over each preceding year in the last three years, or 6% of actual value.

\* Starting in 2017, the District is utilizing alternative debt calculation based on 6% of Actual Value, as presented on 3E 2016 ballot language.

Source: District Audited Financial Statements

**ENGLEWOOD SCHOOLS**  
**Demographic and Economic Statistics**  
**Last Ten Fiscal Years**

Fiscal Year	Englewood Population (1)	Personal Income	Per Capita Personal Income (2)	Median Age (1)	School Enrollment (3)	Unemployment Rate (4)
2006	32,491	\$ 679,191,864	\$ 20,904	36	3,733	6.0%
2007	32,491	\$ 679,191,864	\$ 20,904	36	3,495	5.0%
2008	32,286	\$ 674,906,544	\$ 20,904	36	3,427	4.5%
2009	32,532	\$ 680,048,928	\$ 20,904	36	3,298	6.0%
2010	32,532	\$ 680,048,928	\$ 20,904	36	3,124	7.3%
2011	30,255	\$ 632,450,520	\$ 20,904	36	2,992	10.1%
2012	30,255	\$ 793,528,140	\$ 26,228	37	2,954	9.5%
2013	30,930	\$ 831,460,260	\$ 26,882	37	2,981	7.6%
2014	30,534	\$ 784,174,188	\$ 25,682	38	2,835	6.1%
2015	31,516	\$ 817,682,620	\$ 25,945	37	2,866	4.4%
2016	31,516	\$ 825,971,328	\$ 26,208	37	2,854	4.4%
2017	32,301	\$ 846,544,608	\$ 26,208	37	2,775	3.4%
2018	32,301	\$ 907,690,401	\$ 28,101	37	2,759	3.4%
2019	32,301	\$ 940,023,702	\$ 29,102	36.1	2,633	3.2%
2020	33,002	\$ 1,140,252,102	\$ 34,551	36.1	2,634	3.7%
2021	34,917	\$ 1,294,827,111	\$ 37,083	36.4	2,460	7.8%

Sources:

- (1) City of Englewood
- (2) U.S. Census Bureau
- (3) Englewood Schools
- (4) Colorado Department of Labor and Employment (data presented for Denver Metro area)

**ENGLEWOOD SCHOOLS**

**Principal Employers  
Current Year and Nine Years Ago**

Taxpayer	2020			2011			Taxpayer
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	
Health One Swedish Medical Center	1,909	1	7.65%	1,910	1	8.09%	Columbia Swedish Medical Center
Craig Hospital	982	2	3.93%	720	3	3.05%	Craig Hospital
Groove Toyota	487	3	1.95%	820	2	3.47%	The Sports Authority
Metro Community Partners	465	4	1.86%	370	6	1.57%	Karcher North America
City of Englewood	455	5	1.82%	424	5	1.80%	City of Englewood
Englewood Schools	412	6	1.65%	520	4	2.20%	Englewood Schools
Veolia Transportation	317	7	1.27%	300	7	1.27%	Veolia Transportation
Rolinc Staffing	252	8	1.01%	250	8	1.06%	Regional Transportation District (RTD)
Wal-Mart	248	9	0.99%	220	9	0.93%	7-Up Bottling Company
Meadow Gold Dairies	224	10	0.90%	190	10	0.80%	Meadow Gold Dairies
Total	<u>5,751</u>		<u>23.04%</u>	<u>5,724</u>		<u>24.23%</u>	
Total Employees	24,958			23,620			

Source: City of Englewood Community Development Department

**ENGLEWOOD SCHOOLS**

**Full-Time Equivalent Employees by Type  
Last Ten Fiscal Years  
As of June 30**

<b>Fiscal</b>			<b>*Administrators/ Professional &amp; Technical</b>	
<b>Year</b>	<b>Teachers</b>	<b>Classified</b>	<b>Technical</b>	<b>Total</b>
2006	261.20	113.09	19.70	393.99
2007	245.90	113.01	20.40	379.31
2008	232.70	102.20	20.20	355.10
2009	230.60	105.28	21.20	357.08
2010	223.30	106.00	21.80	351.10
2011	206.20	112.43	21.80	340.43
2012	198.40	113.64	20.80	332.84
2013	206.30	122.71	22.83	351.84
2014	213.60	132.86	22.83	369.29
2015	218.40	129.42	25.63	373.45
2016	221.89	150.88	23.00	395.77
2017	182.44	126.70	27.80	336.94
2018	199.34	115.21	27.59	342.14
2019	175.92	138.78	34.15	348.85
2020	181.10	116.81	31.93	329.84
2021	219.30	155.37	37.15	411.82

\*Starting 2018-19:

Administrators' category includes Professional/Technical positions

Sources: Englewood Schools Human Resources

**ENGLEWOOD SCHOOLS**

**Operating Statistics  
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Operating Cost per Pupil</u>	<u>Government-Wide Expenditures</u>	<u>Government-Wide Cost per Pupil</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>	<u>Percentage of Students Approved for Free or Reduced Lunch</u>
2006	3,733	32,240,748	8,637	35,265,939	9,447	261.2	14.3	42.1%
2007	3,495	31,916,165	9,132	34,780,040	9,951	245.9	14.2	40.3%
2008	3,427	32,443,971	9,467	35,033,702	10,223	232.7	14.7	44.2%
2009	3,298	32,538,103	9,866	35,100,753	10,643	230.6	14.3	49.0%
2010	3,124	32,516,192	10,409	34,602,079	11,076	223.3	14.0	54.9%
2011	2,992	32,052,157	10,713	34,209,991	11,434	206.2	14.5	55.8%
2012	2,954	30,123,324	10,197	33,534,033	11,352	198.4	14.9	57.9%
2013	2,981	31,320,081	10,507	35,349,519	11,858	206.3	14.4	56.1%
2014	2,835	32,658,215	11,520	36,622,164	12,918	213.6	13.3	59.5%
2015 (1)	2,866	39,596,387	13,816	41,873,573	14,610	218.4	13.1	62.6%
2016*	2,854	35,407,380	12,406	39,595,001	13,874	221.9	12.9	58.5%
2017*	2,775	56,367,402	20,313	58,711,784	21,157	182.4	15.2	67.4%
2018	2,759	64,073,382	23,223	70,095,467	25,406	199.3	13.8	66.0%
2019	2,633	33,359,682	12,670	40,528,389	15,392	175.9	15.0	66.0%
2020	2,634	37,515,738	14,243	44,482,279	16,888	181.1	14.5	66.0%
2021	2,460	27,119,333	11,024	33,954,331	13,803	219.3	11.2	55.6%

(1) During 2015 the Food Service and Tuition Funds were switched to Special Revenue Funds and the District implemented GASB 68.

\* Restated

**ENGLEWOOD SCHOOLS**

**Schedule of Insurance  
June 30, 2021**

<u>Insurance Company</u>	<u>Policy Number</u>	<u>Term of Insurance</u>		<u>Type of Insurance</u>	<u>Amount of Coverage</u>	<u>07/1/20-07/1/21 Premium</u>
		<u>Start Date</u>	<u>Expire Date</u>			
CSDSIP (1)	0301-01-00044	07/01/2020	07/01/2021	Comprehensive General Liability, Including Employee Benefit Programs and Athletic Participation	\$ 215,541,861	\$ 488,615
				School Leaders Errors & Omissions	2,000,000	28,978
CSDSIP	0301-01-00044	07/01/2020	07/01/2021	Equipment Breakdown	250,000,000	18,608
CSDSIP	0301-01-00044	07/01/2020	07/01/2021	Employee Blanket Bond	250,000	984
CSDSIP	0301-01-00044	07/01/2020	07/01/2021	Vehicle Insurance	2,000,000	24,253
						<b><u>\$ 561,438</u></b>

(1) Colorado School District Self-Insurance Pool.

Source: Englewood School District

**ENGLEWOOD SCHOOLS**

**Capital Asset Information  
June 30, 2021**

<b>Schools</b>	
<hr/>	
<b>Elementary</b>	
Buildings	4
Square feet	180,743
Capacity	1,668
Enrollment	1,127
Percent capacity	68%
<b>Middle / High</b>	
Buildings	1
Square feet	238,298
Capacity	1,200
Enrollment	877
Percent capacity	73%
<b>High</b>	
Buildings	1
Square feet	99,380
Capacity	704
Enrollment	255
Percent capacity	36%
<b>Early Childhood Education Center</b>	
Buildings	1
Square feet	37,165
Capacity	352
Enrollment	201
Percent capacity	57%
<b>Administration</b>	
<hr/>	
Buildings	1
Square feet	13,800
<b>Operations, maintenance and transportation</b>	
<hr/>	
Buildings	1
Square feet	8,400
<b>Athletics</b>	
<hr/>	
Athletic stadium	1
Baseball fields	1
Running tracks	1
Playgrounds	6
<b>Excess property</b>	
<hr/>	
Buildings	2
Square feet	44,800

Source: Englewood School District

Note: Statistical section schedules normally present ten years of data.  
Only one year of statistics is presented here because the number of facilities, size and capacity are essentially unchanged over that period.

## Compliance Section

Single Audit



**Independent Auditors' Report on Internal Control Over  
Financial Reporting and On Compliance and Other Matters  
Based on An Audit of Financial Statements Performed  
In Accordance with *Government Auditing Standards***

Board of Education  
Englewood Schools  
Englewood, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Englewood Schools as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of Englewood Schools, and have issued our report thereon dated December 20, 2021.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Englewood Schools' internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Englewood Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Englewood Schools' internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Englewood Schools' financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of Englewood Schools' internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Englewood Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Englewood Schools' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Englewood Schools' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Englewood Schools' internal control and compliance. Accordingly, this report is not suitable for any other purpose.

*Hick & Company, PC*

Greenwood Village, Colorado  
December 20, 2021





**Independent Auditors' Report on Compliance for Each  
Major Federal Program, Internal Control Over Compliance,  
And the Schedule of Expenditures of Federal Awards  
Required by The Uniform Guidance**

Board of Education  
Englewood Schools  
Englewood, Colorado

**Report on Compliance for Each Major Federal Program**

We have audited Englewood Schools' compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Englewood Schools' major federal programs for the year ended June 30, 2021. Englewood Schools' major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of the federal awards applicable to its federal programs.

**Auditors' Responsibility**

Our responsibility is to express an opinion on compliance for each of Englewood Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Englewood Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Englewood Schools' compliance.

### **Opinion on Each Major Federal Program**

In our opinion, Englewood Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### **Report on Internal Control Over Compliance**

Management of Englewood Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Englewood Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Englewood Schools' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of Englewood Schools' internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Englewood Schools as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of Englewood Schools. We issued our report thereon dated December 20, 2021, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Englewood Schools' basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Hick & Company, PC*

Greenwood Village, Colorado  
December 20, 2021



**Englewood Schools**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2021

**Section I: Summary of Auditors' Results**

**Financial Statements**

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with accounting principles generally accepted in the United States of America (GAAP): Unmodified

Internal control over financial reporting:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified?  Yes  None Reported

Noncompliance material to the financial statements noted?  Yes  No

**Federal Awards**

Internal control over major federal programs:

- Material weaknesses identified?  Yes  No
- Significant deficiencies identified?  Yes  None Reported

Type of auditors' report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?  Yes  No

Identification of major federal program:

<u>CFDA Number</u>	<u>Name of Federal Cluster/Program</u>
10.555, 10.559, 10.579	Child Nutrition Cluster
21.019	Coronavirus Relief Fund
84.425D, 84.425U	ESSER and ARP ESSER funds

Dollar threshold used to distinguish Between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee?  Yes  No

**Englewood Schools**  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2021  
(Continued)

**Section II: Financial Statement Findings**

No current year findings or questioned costs were reported.

**Section III: Federal Award Findings and Questioned Costs**

No current year findings or questioned costs were reported.

**ENGLEWOOD SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
Year Ended June 30, 2021

Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Additional Award Identification	Federal Expenditures	Passed Through to Subrecipients
<b>U.S. Department of Education</b>					
Passed through State Department of Education					
ESSER III – LEA Learning Loss	4414	84.425U	COVID-19	383,512	-
ESSER II	4420	84.425D	COVID-19	1,981,856	-
ESSER I	4425	84.425D	COVID-19	486,648	-
Education Stabilization Fund Subtotal				<u>2,852,016</u>	-
Special Education	4027	84.027		719,603	-
Special Education Preschool	4173	84.173		33,366	-
Special Education Subtotal				<u>752,969</u>	-
Twenty-First Century Community Learning Centers (Clayton)	6287	84.287C		160,766	-
Twenty-First Century Community Learning Centers Expanded Learning Opportunities	5625	84.425D		22,470	-
Twenty-First Century Community Learning Centers Subtotal				<u>183,236</u>	-
Title I	4010/5010	84.010		804,550	-
English Language Acquisition	4365	84.365		30,101	-
Improving Teacher Quality	4367	84.367		110,554	-
Title IV: Student Support and Academic Enrichment	4424	84.424		24,371	-
McKinney-Vento Education for Homeless Children and Youth	5196	84.196A		79,844	-
Passed through State Community College System					
Career and Technical Education	4048	84.048		27,127	-
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>				<u>4,864,769</u>	-
<b>U.S. Department of Agriculture</b>					
Passed through State Department of Education					
National School Lunch Program	4555	10.555		156,028	-
Child and Adult Care Food Program Meal Service	4558	10.558		94,473	-
Summer Food Service Program for Children	4559	10.559		686,791	-
National School Lunch Equipment Assistance	5579	10.579		20,127	-
Fresh Fruits and Vegetable Program	4582	10.582		52,138	-
Passed through State Department of Human Services					
Food Commodities	4555	10.555		28,797	-
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>				<u>1,038,355</u>	-
<b>U.S. Department of Housing and Urban Development</b>					
Passed through Arapahoe County					
Community Development Block Grant	7218	14.218		33,900	-
<b>TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				<u>33,900</u>	-
<b>U.S. Department of Treasury</b>					
Passed through State Department of Education					
Coronavirus Relief Fund (CRF)	4012	21.019	COVID-19	1,343,641	-
Coronavirus Relief Fund (CRF): K-12 At-Risk Pupils.	5012	21.019	COVID-19	117,051	-
Coronavirus Relief Fund (CRF): School Preparation/Mitigation Funds	6012	21.019	COVID-19	408,580	-
Passed through Arapahoe County					
Coronavirus Relief Fund (CRF)	4012	21.019	COVID-19	131,700	-
<b>TOTAL U.S. DEPARTMENT OF TREASURY</b>				<u>2,000,972</u>	-
<b>U.S. Department of Health and Human Services</b>					
Passed through Sheridan School District					
Head Start	8600	93.600		666,572	-
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				<u>666,572</u>	-
<b>U.S. Department of Center for Disease Control</b>					
Passed through State Department of Education					
CDC Improving Student Health	7981	93.981		17,000	-
<b>TOTAL U.S. DEPARTMENT OF CENTER FOR DISEASE CONTROL</b>				<u>17,000</u>	-
<b>TOTAL FEDERAL FINANCIAL ASSISTANCE</b>				<u>8,621,567</u>	-

See Notes to Schedule of Expenditures of Federal Awards

**Englewood Schools**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2021

**Note 1: Basis of Presentation**

The accompanying schedule of expenditures of federal awards is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, using the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this schedule may differ from amounts presented in the financial statements.

**Note 2: Noncash Programs**

Commodities donated to the District by the U.S. Department of Agriculture (USDA) of \$28,797 are valued based on the USDA's Donated Commodity Price List. These are shown as part of the National School Lunch Program (10.555).

**Note 3: Indirect Costs**

The District does not charge the 10% de minimis indirect cost rate allowed under Uniform Guidance.

**Note 4: Subrecipients**

The District did not pass through any federal funds to sub-recipients during the year ended June 30, 2021.

**Englewood Schools**  
Schedule of Prior Year Findings  
For the Year Ended June 30, 2021

**Findings Required to be Reported by the Uniform Guidance**

No items requiring follow up.



**Colorado Department of Education**  
**Auditors Integrity Report**  
 District: 0120 - Englewood 1  
 Fiscal Year 2020-21  
 Colorado School District/BOCES

Revenues, Expenditures, & Fund Balance by Fund

Fund Type & Number	Beg Fund Balance & Prior Per Adj (6880*)	+	1000 - 5999 Total Revenues & Other Sources	0001-0999 Total Expenditures & Other Uses	=	6700-6799 & Prior Per Adj (6880*) - Ending Fund Balance
<b>Governmental</b>						
10 General Fund	9,641,485		35,141,535	35,682,672		9,100,348
18 Risk Mgmt Sub-Fund of General Fund	0		0	0		0
19 Colorado Preschool Program Fund	324,844		646,731	971,575		0
<b>Sub-Total</b>	<b>9,966,329</b>		<b>35,788,266</b>	<b>36,654,247</b>		<b>9,100,348</b>
11 Charter School Fund	0		0	0		0
20.26-29 Special Revenue Fund	258,008		141,500	151,409		248,098
06 Supplemental Cap Const, Tech, Main, Fund	0		0	0		0
07 Total Program Reserve Fund	0		0	0		0
21 Food Service Spec Revenue Fund	15,035		1,233,349	1,126,165		122,219
22 Govt Designated-Purpose Grants Fund	0		3,743,188	3,743,188		0
23 Pupil Activity Special Revenue Fund	270,562		126,509	132,798		264,272
24 Full Day Kindergarten Mill Levy Override	0		0	0		0
25 Transportation Fund	0		0	0		0
31 Bond Redemption Fund	11,579,357		11,505,710	10,087,993		12,997,073
39 Certificate of Participation (COP) Debt Service Fund	0		0	0		0
41 Building Fund	4,748,364		5,254	2,972,406		1,781,212
42 Special Building Fund	0		0	0		0
43 Capital Reserve Capital Projects Fund	3,098,305		3,819	127,598		2,974,525
46 Supplemental Cap Const, Tech, Main Fund	0		0	0		0
<b>Totals</b>	<b>29,935,958</b>		<b>52,547,594</b>	<b>54,995,804</b>		<b>27,487,748</b>
<b>Proprietary</b>						
50 Other Enterprise Funds	0		0	0		0
64 (63) Risk-Related Activity Fund	0		0	0		0
60.65-69 Other Internal Service Funds	0		0	0		0
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>
<b>Fiduciary</b>						
70 Other Trust and Agency Funds	0		0	0		0
72 Private Purpose Trust Fund	0		0	0		0
73 Agency Fund	0		0	0		0
74 Pupil Activity Agency Fund	0		0	0		0
79 GASB 34 Permanent Fund	0		0	0		0
85 Foundations	0		0	0		0
<b>Totals</b>	<b>0</b>		<b>0</b>	<b>0</b>		<b>0</b>

FINAL